



OPU Commission Meeting

October 28, 2025

4:00 p.m.

OWATONNA PUBLIC UTILITIES



VISION: *We are recognized for excellence in our community, our state and nationwide.*

MISSION: *We enhance the quality of life in our community by safely and reliably delivering customer-focused utility services.*

Core Values

Customer Focus - They're why we're here

Safety - For ourselves, our families and our community.

Accountability - Fully responsible for our attitudes and actions

Pursuit of Excellence - Going above and beyond

Company-Wide Expectations

- We never compromise safety
- Follow the Golden Rule
- Know what is expected; if you don't know, ask
- We're a team; by working together we accomplish more
- Decisions are not driven by personal agendas
- We share knowledge to help each other grow in knowledge and skills
- All people and jobs are valued
- Take pride in every task
- Start from a position of trust and assume positive intent
- We are ambassadors for OPU on and off the clock
- Demonstrate gratitude and appreciation
- Positively impact the lives of others everyday

OPU COMMISSION MEETING
October 28, 2025
4:00 P.M.

Location: OPU Morehouse Meeting Room

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|----|--|---------|
| 1. | Open meeting, Pledge of Allegiance and Agenda Approval | |
| 2. | Consent Agenda | |
| | • Minutes from September 23, 2025 | Page 4 |
| | • Contributed Services as of September 30, 2025 | Page 7 |
| | • Sexual Harassment Policy | Page 18 |
| | • Conflict of Interest Policy | Page 25 |
| ** | 3. Committee Reports | Page 35 |
| ** | 4. City Administrator's Report | |
| ** | 5. Lobby Improvements - Leo A Daly | |
| ** | 6. System Health Reports | |
| ** | 7. General Manager/Staff Report | Page 74 |
| ** | 8. Commission Roundtable | |
| ** | 9. President's Report | |
| ** | 10. Audience Comments [†] | |
| ** | 11. Adjournment | |

[†]Please state your name and address. We appreciate your cooperation in keeping remarks within a five-minute timeframe. As a matter of policy, the commission will not take immediate action or provide direct responses to concerns during this meeting and assures you your concerns will be thoroughly addressed.

** - Presented at meeting

The Owatonna Public Utilities Commission met in regular session in the Morehouse Conference Room at the Owatonna Public Utilities. Present were Commissioners Rossi, Johnson, Zirngible, Vetter and McLane. Also present were General Manager Warehime; City Administrator Tuma; Director, Finance & Administration Linders; Director, Engineering & Field Operations Fenstermacher; Manager, Human Resources Madson; Manager, Customer Experience Schmoll; Supervisor, Information Technology Trom; Special Advisor Dave Olson; OPU Employees Caden Sorenson, Deb Anderson, and Shanda Meier. Other guests included Dave Berg, Dave Berg Consulting, LLC; Jarrod Luze, PE, DGR Engineering; and customers Al Kreutz and Roger Wacek.

President Rossi called the meeting to order, led the Pledge of Allegiance, and asked for approval of the agenda and consent agenda. Commissioner McLane moved to accept the agenda as submitted. Commissioner Zirngible seconded the motion. All Commissioners voting Aye, the motion passed. Commissioner Vetter moved to approve the consent agenda items consisting of the minutes from OPU Commission meeting of August 26, 2025 and the contributed services report as of August 31, 2025. Commissioner McLane seconded the motion. All Commissioners voting Aye, the motion passed.

Committee Reports

Personnel Committee – Commissioner McLane reported the Personnel Committee met and received a staffing report, a safety update, and reviewed proposed changes to two policies; the Conflict of Interest policy and the Sexual Harassment policy. She noted four positions remain open: Accounting Specialist, Executive Administrative Assistant, Afterhours Serviceworker and Credit/Customer Service Representative.

Finance Committee – Commissioner Johnson reported the Finance Committee met, reviewed and approved vouchers totaling \$6,609,833.46. Mr. Johnson updated the Commission on net income levels for all three utilities, reserve levels and noted there were not any work orders closed the month of August.

City Administrator Report

City Administrator Tuma reported the City Council approved a 13% levy increase at their last meeting. She noted that 9% of this increase is mandates for wages and contracts as they are in the second year of their labor agreements. She further noted another part of the levy is for the planning and development of a new police station and fire station. Levy details will be wrapped up by the end of this year. Bids will be received in the spring of 2026 for construction on the two stations and they are looking to wrap up both projects by the late in 2027.

Rate Study – Dave Berg

Special Advisor Olson introduced Dave Berg, who shared his findings from the electric cost of service study. Mr. Olson noted a cost-of-service study had not been performed since 2017 because we were holding off to get good data out of our AMI system. Mr. Olson also noted, Mr. Berg provided us with some rate design recommendations which he discussed later in his presentation.

Mr. Dave Berg, Dave Berg Consulting, LLC, discussed the findings of the electric cost of service study with the Commission. He discussed OPU's proposed capital improvements budget for the next 5 years and discussed where projected operating results and cash reserves would fall with existing rates. He further noted, 2024 was the year used for base numbers. He then discussed the comparison of percent of cost and revenue for each of the customer classifications and broke it down between monthly service charge and commodity charge. Based on this information, Mr. Berg suggested a general rate increase of 1.6% for each year 2026-

2029. Breaking it down by class; residential and commercial rate classes should receive a 1.3% increase; industrial TOU should receive a 3% increase, and security lighting rates should increase by 1.5%. Mr. Berg then discussed how each rate class would look with the proposed increases and showed where projected operating results and cash reserves would be with the proposed rate increases. Mr. Berg discussed other changes he felt OPU should consider including Solar Grid Access Charges, Demand billing, commercial TOU rates, Power Factor Penalties, and In-home EV charging rates. After an extensive conversation, the Commission thanked Mr. Berg for his presentation, and he left the meeting.

Electric Distribution Study – DGR

Director, Engineering & Field Operations Fenstermacher introduced Jarrod Luze, PE, of DGR Engineering. Mr. Fenstermacher noted DGR Engineering has performed our long-term system study and has been working on it for about a year. Mr. Fenstermacher also reminded the Commission of a transmission capacity study presented by SMMPA earlier in the year. He noted this study pairs with it as we are looking to take that load growth analysis for the next 10 years and plug it into our current system to see what we need to do to be able to maintain reliability and meet that growth. He also reminded the Commission of discussions regarding the radial feed of one of our substations and how detrimental it would be to the reliability of the city if we lost that feed. This report will highlight that, as well.

Mr. Luze recapped who DGR is, noted they performed a system evaluation and planning study for OPU, discussed OPU's existing electric system, and stated their goals of identifying deficiencies, recommending improvements to eliminate those deficiencies, and providing cost estimates for fiscal planning purposes. Part of their analysis looked at historical and future loads, location of where those loads may develop, and a projected 10-year load growth. He noted they use a software analysis system called Milsoft's Windmill®. The system is designed to identify system deficiencies. He discussed the deficiencies it found in OPU's electric system and discussed recommendations for improvements including ones that should begin immediately by breaking it into 3 phases over the course of the next several years. After extensive discussion, the Commission thanked Mr. Luze for his presentation.

General Manager/Staff Reports

Director, Finance & Administration Linders presented a preliminary rate outlook to the Commission. In the electric utility, Mr. Linders presented two options to the Commission and discussed SMMPA's electric rate outlook for the next few years. Option 1 was designed to follow the proposed rate structure of SMMPA for the next 5 years including a large rate increase in 2029 and 2030. Option 2 proposed smaller rate decreases over the next 5 years to help stabilize rates for our customers even with SMMPA rate increases in future years. Option 2 allows our reserves to remain favorable, as well. The average residential customer would see a \$5.66 decrease per month with option 1 and a \$1.27 decrease per month with option 2.

Mr. Linders also presented two options for rates in the water utility. Option 1 increases water rates by 5% each year for the next 5 years but depletes water reserves significantly. Option 2 increases water rates by 10% each year and begins to build reserves back to a favorable number. The average residential customers will see a \$1.47 increase per month with option 1 and a \$2.92 per month increase with option 2.

In the natural gas utility, we are expecting a 30% rate increase from Northern Natural Gas equating to approximately \$800,000 additional annual costs to OPU. OPU is proposing a 12% natural gas rate increase to help cover this large increase from Northern Natural which equates to about \$8.22 per month increase to the

average residential customer. Future rate increases are projected to be 2% in 2027 and 2028 and 3% in 2029 and 2030.

After discussion, the Commission asked for more information regarding why load seems to be dropping, yet we are projecting load increases for the next few years and asking to build additional infrastructure. They also directed staff to move forward with Option 2 for the 2026 rate increases for a combined impact of approximately \$9.87 per month for an average residential customer.

Commission Roundtable

Commissioner McLane will be attending the SMMPA Annual Meeting in October.

Audience Comments

Customer Roger Wacek will email his comments to the Commissioners.

Customer Al Kreutz commended staff for upgrading the natural gas system to a 50-psi system and appreciated the review they are doing on the electric system. He asked the Commission and staff to put more emphasis on the backflow/cross connection program for potable water. He feels the program has not kept up with current code and should be looked at.

Adjournment

There being no further business to come before the Commission, the meeting adjourned at 7:07 p.m.

Respectfully submitted,

Tammy Schmoll
Manager, Customer Experience

10/12/2025 7:00:03 am

Contributed Services to the City of Owatonna for the Billing Period Ending 10/01/2025 September2025

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#	Location	Service Address	Electric	Water	Gas	Total
1	139	1150 INDUSTRIAL BLVD	0.00	61.31	0.00	61.31
2	1020010	330 MILL ST W	32.75	0.00	0.00	32.75
3	1020020	332 MILL ST W	28.38	0.00	0.00	28.38
4	1020030	328 MILL ST W	63.05	22.86	0.00	85.91
5	1020040	350 SCHOOL ST W	157.14	67.64	0.00	224.78
6	1020042	350 SCHOOL ST E	47.66	0.00	0.00	47.66
7	1020050	347 SCHOOL ST W	100.56	103.07	69.30	272.93
8	1020060	330 SCHOOL ST W	29.25	0.00	0.00	29.25
9	1100090	400 15TH ST SW (BROWN)	122.39	49.53	0.00	171.92
10	1160612	111 1/2 MAIN ST W	142.41	0.00	0.00	142.41
11	1160620	107 MAIN ST W (FIRE HALL)	1799.01	256.79	140.34	2196.14
12	1221080	1460 AUSTIN RD	0.00	89.66	0.00	89.66
13	1221090	344 18TH ST SE	2159.95	0.00	0.00	2159.95
14	1221100	1710 AUSTIN RD	0.00	72.45	0.00	72.45
15	1221130	342 18TH ST SE	72.69	0.00	0.00	72.69
16	1221140	340 18TH ST SE	184.85	645.53	0.00	830.38
17	1380702	925 LINCOLN AVE	33.51	0.00	0.00	33.51
18	1441062	899 HAVANA RD	153.18	0.00	0.00	153.18
19	2020010	100 MAIN ST E	0.00	21.95	0.00	21.95
20	2020016	100 MAIN ST E	382.18	257.82	0.00	640.00
21	2020440	631 RICE LAKE ST	0.00	184.48	0.00	184.48
22	2031600	1650 ROSE ST E (GOLF COURSE MA	156.81	71.33	38.19	266.33
23	2031630	1600 ROSE ST E	28.00	0.00	0.00	28.00
24	2040480	105 ELM AVE N (LIBRARY)	2824.10	103.11	427.57	3354.78
25	2080520	204 PEARL ST E	3303.71	158.28	91.29	3553.28
26	2080522	204 1/2 PEARL ST E	140.79	0.00	0.00	140.79
27	2140870	1650 ROSE ST E (GOLF COURSE)	508.69	1102.53	0.00	1611.22
28	2161320	502 MAPLE DR	19.01	19.95	18.55	57.51
29	2180664	600 CHERRY ST (DARTTS)	272.27	13.04	0.00	285.31
30	2180667	429 MINERAL SPRINGS RD	28.00	96.03	0.00	124.03
31	2190010	1369 CHERRY ST	703.97	0.00	0.00	703.97
32	2190660	1369 CHERRY ST (CLUB HOUSE)	1218.14	154.66	287.66	1660.46
33	2190700	1025 MINERAL SPRINGS PKWY	28.87	0.00	0.00	28.87
34	2190710	1025 MINERAL SPRINGS PKWY	36.77	39.83	0.00	76.60
35	2190720	1025 MINERAL SPRINGS PW RD	92.09	0.00	0.00	92.09
36	2330710	1940 3RD AVE NE	158.49	106.52	0.00	265.01
37	3020102	148 MAIN ST W	0.00	0.81	0.00	0.81
38	3020230	117 BRIDGE ST W	88.70	0.81	0.00	89.51
39	3060220	224 CEDAR AVE N	124.32	0.00	33.50	157.82
40	3081060	223 ROSE ST W	79.45	0.00	0.00	79.45
41	3112730	640 RIVERSIDE AVE	74.44	20.57	33.50	128.51
42	3112740	646 RIVERSIDE AVE	44.85	0.00	35.97	80.82
43	3112780	639 RIVERSIDE AVE	87.30	18.96	43.67	149.93
44	3113030	433 NORTH ST W	0.00	108.88	35.97	144.85
45	3113310	1015 HOFFMAN DR	77.58	0.00	0.00	77.58
46	3141155	431 SELBY AVE	42.27	21.95	0.00	64.22
47	3161150	315 LEMOND RD	17.02	19.95	14.23	51.20
48	3281350	1100 INDUSTRIAL RD (CITY SHOP)	468.02	62.81	63.99	594.82
49	3300730	2015 BRIDGE ST W	1359.79	0.00	0.00	1359.79
50	3300746	1002 LEMOND RD	39.39	0.00	0.00	39.39

10/12/2025 7:00:03 am

Contributed Services to the City of Owatonna for the Billing Period Ending 10/01/2025 September2025

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#	Location	Service Address	Electric	Water	Gas	Total
51	3300802	1295 KOHLMEIER DR SW	129.02	0.00	0.00	129.02
52	3300806	1300 LAKE KOHLMEIER DR SW	28.00	0.00	0.00	28.00
53	3301032	600 RIVERWOOD DR SW	35.88	0.00	0.00	35.88
54	6020055	1525 CEDAR AVE S (4 SEASONS)	11563.91	565.16	1466.63	13595.70
55	6020840	1150 INDUSTRIAL RD WST.TREAT. B	18572.00	1161.95	3103.83	22837.78
56	6021180	500 DUNNELL DR (SENIOR PL)	0.00	0.00	118.35	118.35
57	6021230	540 HILLS CIR W (CITY HALL)	7924.40	127.25	191.11	8242.76
58	6021231	575 DUNNELL DR CARPENTER SHOP	0.00	22.18	39.79	61.97
59	6021233	565 DUNNELL DR (COTTAGE 11)	167.61	56.36	33.50	257.47
60	6021235	502 DUNNELL DR (GYM)	647.76	196.57	432.48	1276.81
61	6021236	560 DUNNELL DR STE 109	3873.53	269.68	899.56	5042.77
62	6021237	500 DUNNELL DR	1301.51	141.95	0.00	1443.46
63	6021238	545 DUNNELL DR (VEVLE HALL)	239.49	104.68	33.50	377.67
64	6021365	1115 PARK DR	31.25	0.00	0.00	31.25
65	6021500	2310 4TH ST NW	28.00	0.00	0.00	28.00
66	6023000	540 HILLS CIR W	31761.84	0.00	0.00	31761.84
67	6031251	222 CEDARDALE DR SE	97.10	0.00	0.00	97.10
68	6123000	540 HILLS CIR W	0.00	2064.12	0.00	2064.12
69	6128135	1140 INDUSTRIAL RD PARK & REC BLD	637.39	199.73	77.34	914.46
70	6128147	317 MINERAL SPRINGS RD (DARTTS)	0.00	480.29	0.00	480.29
71	6128191	930 HOFFMAN DR	64.55	0.00	0.00	64.55
72	6128192	102 STATE AVE	60.42	0.00	0.00	60.42
73	6128303	1200 INDUSTRIAL RD (DOG POUND)	59.42	20.57	53.09	133.08
74	6128597	1659 CEDAR AVE S	125.60	0.00	0.00	125.60
75	6128652	3431 FRONTAGE RD W (CITY HANGER)	0.00	18.96	36.64	55.60
76	6128653	3435 FRONTAGE RD W AIRPORT OFFICE	0.00	104.68	294.67	399.35
77	6128695	640 RIVERSIDE AVE	30.88	0.00	0.00	30.88
78	6128838	310 MAIN ST E	63.17	0.00	0.00	63.17
79	6128839	710 BRIDGE ST W	76.57	0.00	0.00	76.57
80	6129122	2120 BRIDGE ST W	74.69	0.00	0.00	74.69
81	6129130	1155 24TH AVE SW	40.52	0.00	0.00	40.52
82	6129149	1145 INDUSTRIAL RD (GARAGE)	83.58	18.96	38.19	140.73
83	6129159	1065 24TH AVE SW (OBI)	990.92	136.92	49.23	1177.07
84	6129162	433 NORTH ST W	48.03	0.00	0.00	48.03
85	6129570	657 26TH ST NW	28.50	0.00	0.00	28.50
86	6129804	3490 FRONTAGE RD W (MAINT. GARAGE)	0.00	101.46	33.50	134.96
87	6129876	1800 MOSHER AVE	28.00	15.57	0.00	43.57
88	6129877	1200 SMITH AVE SE	265.84	1618.27	0.00	1884.11
89	6129906	2090 HOFFMAN DR	100.98	0.00	0.00	100.98
90	6130083	1550 GREENLEAF RD	30.88	0.00	0.00	30.88
91	6130135	3440 FRONTAGE RD W	0.00	37.47	38.96	76.43
92	6130771	3034 NORTHRIDGE LN NE	35.76	0.00	0.00	35.76
93	6131148	1190 INDUSTRIAL RD	75.82	0.00	0.00	75.82
94	6131149	1149 INDUSTRIAL RD (TRK WASH BLD)	113.12	42.31	38.86	194.29
95	6131505	475 26TH ST NW	31.63	0.00	0.00	31.63

10/12/2025 7:00:03 am

Contributed Services to the City of Owatonna for the Billing Period Ending 10/01/2025 September2025

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#	Location	Service Address	Electric	Water	Gas	Total
96	6131742	380 AUTUMN HILLS PL NE	40.52	0.00	0.00	40.52
97	6131899	400 CEDAR AVE N	80.71	0.00	0.00	80.71
98	6131900	1221 FRONTAGE RD E	70.69	0.00	0.00	70.69
99	6131901	2005 BRIDGE ST W	74.44	0.00	0.00	74.44
100	6131986	3065 SAINT PAUL RD (WATER PARK)	959.34	339.91	457.49	1756.74
101	6132016	21ST AVE NW & FRONTAGE RD	97.22	0.00	0.00	97.22
102	6132017	24TH AVE NW	98.47	0.00	0.00	98.47
103	6140020	1440 AUSTIN RD BALL DIAMONDS BATHROOMS	148.17	0.00	0.00	148.17
104	6140076	1720 AUSTIN RD	581.29	0.00	0.00	581.29
105	6140088	1740 AUSTIN RD	39.64	0.00	0.00	39.64
106	6140122	560 STATE AVE	28.00	0.00	0.00	28.00
107	6140123	685 FLORENCE AVE	28.00	0.00	0.00	28.00
108	6140124	210 ELM AVE S(HARRY WENGER FESTIVAL)	30.07	0.00	0.00	30.07
109	6140165	3671 18TH ST SW	37.88	0.00	0.00	37.88
110	6140205	710 MAIN ST E BALL LIGHTS	83.08	0.00	0.00	83.08
111	6140206	1680 AUSTIN RD SE	741.52	0.00	0.00	741.52
112	6140291	315 ELM AVE N	146.55	0.00	0.00	146.55
113	6140340	3400 FRONTAGE RD W (GEN)	0.00	0.00	36.62	36.62
114	6140439	433 NORTH ST W (QC LAB)	45.90	0.00	0.00	45.90
115	6140440	433 NORTH ST W (PLANT 069)	30.74	0.00	0.00	30.74
116	6140468	147 PEARL ST W APT 2	14.50	0.00	0.00	14.50
117	6140478	280 BRIDGE ST W (FOUNTAIN)	0.00	11.43	0.00	11.43
118	6140480	400 18TH ST SE (FOUNTAIN)	0.00	11.43	0.00	11.43
119	6140625	1975 STATE AVE NW	28.12	13.04	0.00	41.16
120	6140809	827 CHERRY ST (FOUNTAIN)	0.00	16.27	0.00	16.27
121	6140818	856 MOSHER AVE SE (FOUNTAIN)	0.00	13.04	0.00	13.04
122	6140821	835 CRESTVIEW LN (UP9 FOUNTAIN)	0.00	11.43	0.00	11.43
123	6140855	455 26TH ST NW TRAIL LIGHTS	64.55	0.00	0.00	64.55
124	6140856	1675 STATE AVE NW TRAIL LIGHTS	80.57	0.00	0.00	80.57
125	6140859	1051 INDUSTRIAL RD TRAIL LIGHTS	72.94	0.00	0.00	72.94
126	6141234	BRIDGE & 39TH AVE--LIFT	48.91	0.00	0.00	48.91
127	6141238	1102 RICE LAKE ST E (SOCCER FIELDS)	43.40	464.16	0.00	507.56
128	6141268	120 26TH ST NW	51.91	0.00	0.00	51.91
129	6141394	OAK AVE AND SCHOOL ST	28.38	0.00	0.00	28.38
130	6141667	225 24TH STREET NE	0.00	26.79	0.00	26.79
131	6141688	212 ELM AVE S	54.41	0.00	0.00	54.41
132	6141809	200 BLOCK N. CEDAR ALLEY W. SIDE(IRRIG.)	0.00	44.52	0.00	44.52
133	6141819	314 CEDAR AVE N	59.54	0.00	0.00	59.54
134	6141820	214 CEDAR AVE N	58.04	0.00	0.00	58.04
135	6141825	1155 INDUSTRIAL RD	13256.67	103.07	85.40	13445.14
136	6141830	114 CEDAR AVE N	59.30	0.00	0.00	59.30
137	6142089	1155 INDUSTRIAL RD	0.00	100.65	34.29	134.94
138	6142230	600 CHERRY ST NE (GATE)	29.63	0.00	0.00	29.63
139	6142231	1300 LAKE KOHLMEIR DR (GATE)	29.76	0.00	0.00	29.76
140	6142563	140 BROADWAY ST W	28.38	116.25	0.00	144.63

Contributed Services to the City of Owatonna
for the Billing Period Ending 10/01/2025
September2025

Contributed Service Totals:	\$ 114,370.61	\$ 12,730.19	\$ 8,926.76	\$ 136,027.56
Commodity Totals:	\$ 4,101,311.66	\$ 532,977.66	\$ 527,894.75	\$ 5,162,184.07
Grand Totals:	\$ 4,215,682.27	\$ 545,707.85	\$ 536,821.51	\$ 5,298,211.63
Contributed Percent:	2.71 %	2.33 %	1.66 %	2.57 %

Owatonna Public Utilities: The above current amounts are hereby authorized to be written off as contributed services to the City of Owatonna for the billing month indicated.

Public Utilites Commission:

General Manager/CEO:

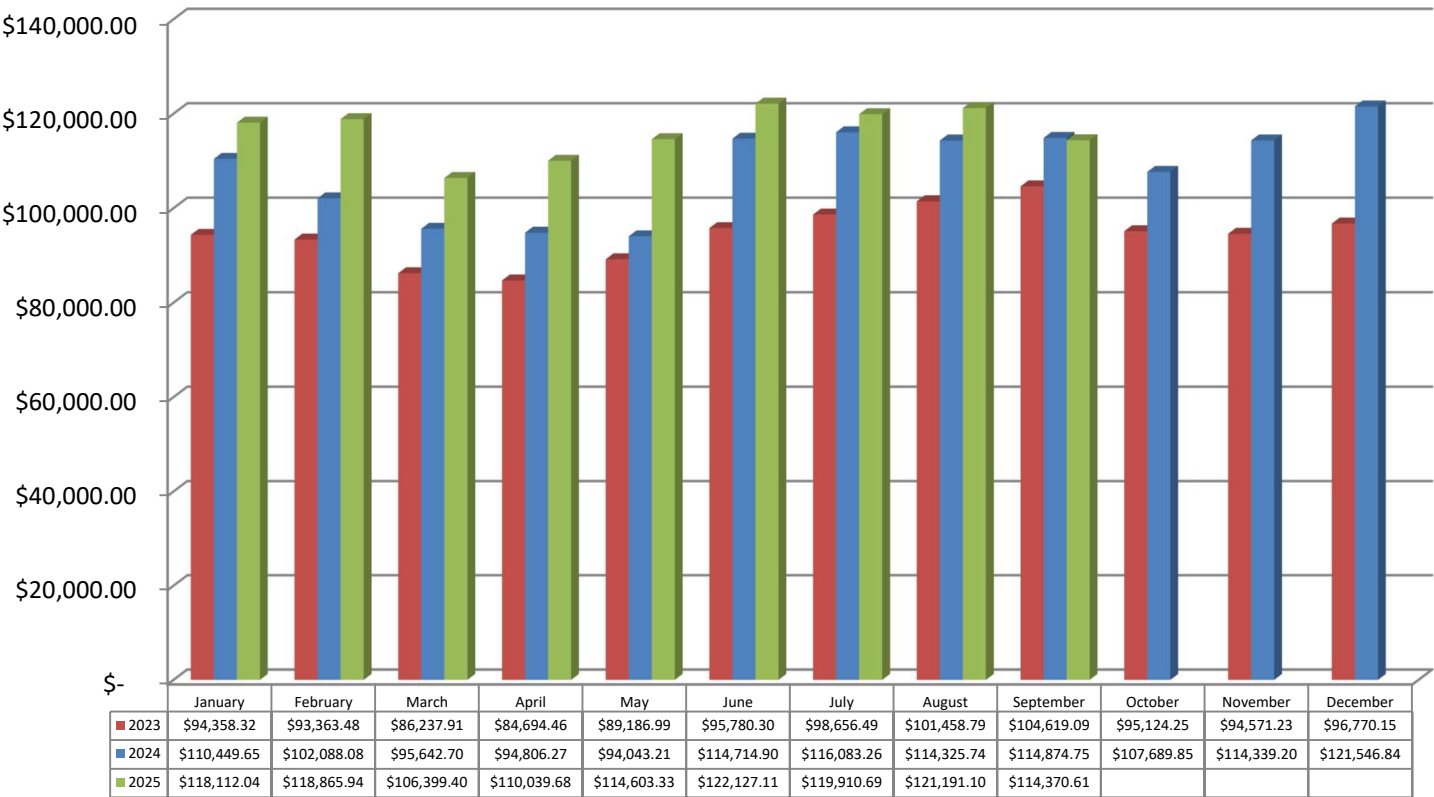
Chief Financial Officer:

Contributed Services Historical Data

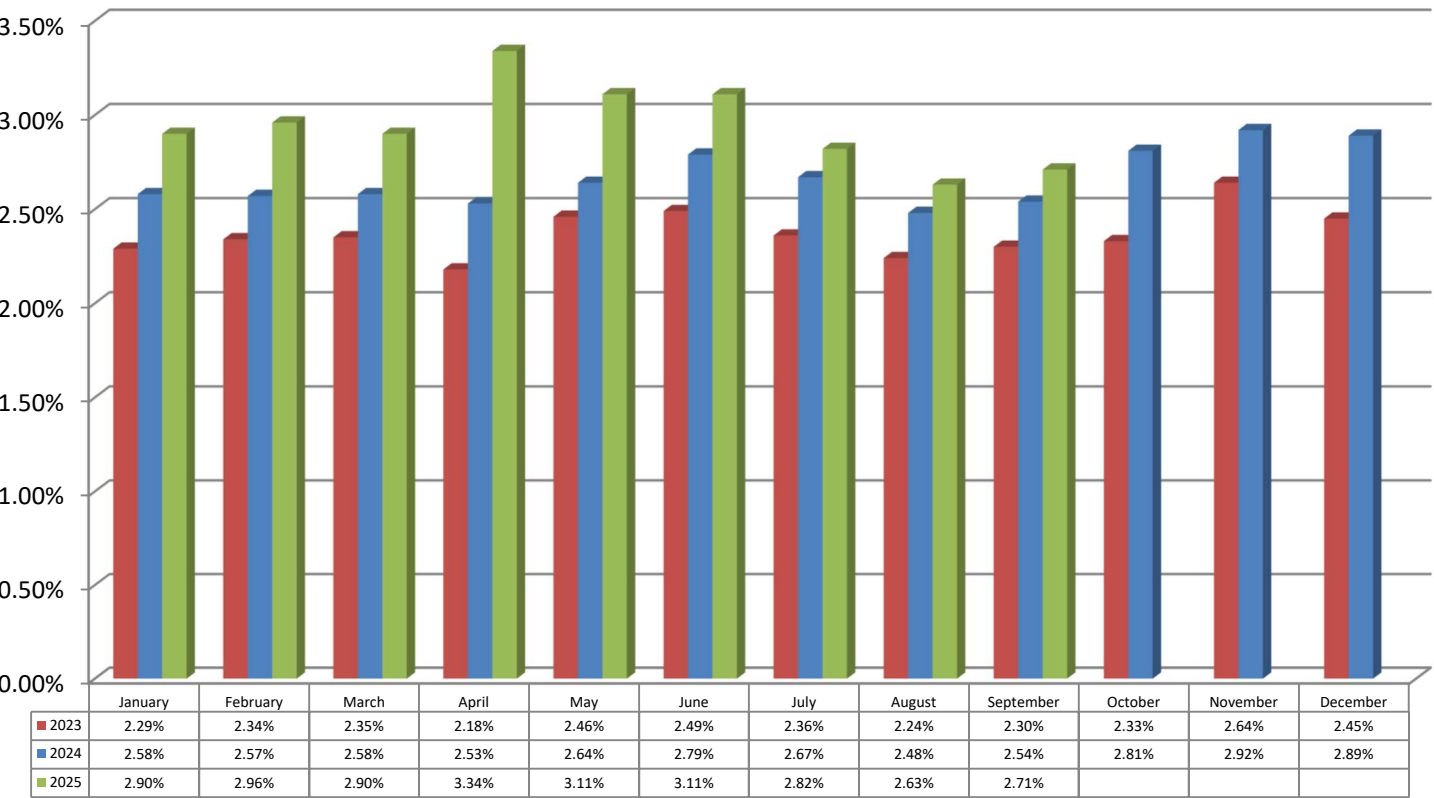
	Electric						Water						Natural Gas						Total					
	2025		2024		2023		2025		2024		2023		2025		2024		2023		2025		2024		2023	
	Dollars	Percent	Dollars	Percent	Dollars	Percent	Dollars	Percent	Dollars	Percent	Dollars	Percent	Dollars	Percent	Dollars	Percent	Dollars	Percent	Dollars	Percent	Dollars	Percent	Dollars	Percent
January	\$ 118,112.04	2.90%	\$ 110,449.65	2.58%	\$ 94,358.32	2.29%	\$ 15,666.87	3.95%	\$ 13,118.78	3.62%	\$ 11,841.50	3.34%	\$ 66,467.70	2.25%	\$ 61,917.00	2.64%	\$ 61,075.80	1.89%	\$ 200,246.61	2.70%	\$ 185,485.43	2.65%	\$ 167,275.62	2.17%
February	\$ 118,865.94	2.96%	\$ 102,088.08	2.57%	\$ 93,363.48	2.34%	\$ 9,342.81	2.40%	\$ 17,219.03	4.53%	\$ 11,406.91	3.26%	\$ 77,076.65	2.16%	\$ 50,237.50	1.89%	\$ 54,178.32	1.76%	\$ 205,285.40	2.58%	\$ 169,544.61	2.42%	\$ 158,948.71	2.14%
March	\$ 106,399.40	2.90%	\$ 95,642.70	2.58%	\$ 86,237.91	2.35%	\$ 8,735.76	2.26%	\$ 14,807.24	3.97%	\$ 11,287.10	3.28%	\$ 38,576.88	1.77%	\$ 32,224.05	1.90%	\$ 39,198.49	1.56%	\$ 153,712.04	2.46%	\$ 142,673.99	2.47%	\$ 136,723.50	2.09%
April	\$ 110,039.68	3.34%	\$ 94,806.27	2.53%	\$ 84,694.46	2.18%	\$ 8,448.26	2.21%	\$ 16,159.51	4.33%	\$ 11,087.31	3.14%	\$ 21,035.58	1.86%	\$ 25,842.38	1.57%	\$ 21,495.33	1.35%	\$ 139,523.52	2.90%	\$ 136,808.16	2.37%	\$ 117,277.10	2.01%
May	\$ 114,603.33	3.11%	\$ 94,043.21	2.64%	\$ 89,186.99	2.46%	\$ 9,497.85	2.31%	\$ 14,261.24	3.77%	\$ 11,161.41	3.18%	\$ 14,375.35	1.51%	\$ 9,818.72	1.04%	\$ 871.03	0.15%	\$ 138,476.53	2.74%	\$ 118,123.17	2.42%	\$ 101,219.43	2.22%
June	\$ 122,127.11	3.11%	\$ 114,714.90	2.79%	\$ 95,780.30	2.49%	\$ 14,189.37	2.97%	\$ 19,063.90	4.61%	\$ 17,407.41	4.04%	\$ 11,433.28	1.66%	\$ 11,685.34	1.49%	\$ 7,333.81	1.07%	\$ 147,749.76	2.00%	\$ 145,464.14	2.74%	\$ 120,521.52	2.43%
July	\$ 119,910.69	2.82%	\$ 116,083.26	2.67%	\$ 98,656.49	2.36%	\$ 11,799.49	2.47%	\$ 20,064.38	4.76%	\$ 24,146.64	4.66%	\$ 9,862.93	2.35%	\$ 10,916.06	1.91%	\$ 7,666.70	1.41%	\$ 141,573.11	2.75%	\$ 147,063.70	2.75%	\$ 130,469.83	2.49%
August	\$ 121,191.10	2.63%	\$ 114,325.74	2.48%	\$ 101,458.79	2.24%	\$ 12,759.97	2.49%	\$ 24,578.96	5.22%	\$ 21,721.42	4.03%	\$ 9,097.30	1.67%	\$ 8,485.19	1.57%	\$ 4,656.73	1.01%	\$ 143,048.37	2.52%	\$ 147,389.89	2.62%	\$ 127,836.94	2.31%
September	\$ 114,370.61	2.71%	\$ 114,874.75	2.54%	\$ 104,619.09	2.30%	\$ 12,730.19	2.33%	\$ 31,860.42	5.75%	\$ 22,970.67	4.17%	\$ 8,926.76	1.66%	\$ 5,526.87	1.26%	\$ 2,774.07	0.64%	\$ 136,027.56	2.57%	\$ 152,262.04	2.76%	\$ 130,363.83	2.36%
October			\$ 107,689.85	2.81%	\$ 95,124.25	2.33%			\$ 25,290.97	5.04%	\$ 15,324.88	3.53%			\$ 7,497.25	1.28%	\$ 5,376.64	1.09%			\$ 140,478.07	2.86%	\$ 115,825.77	2.32%
November			\$ 114,339.20	2.92%	\$ 94,571.23	2.64%			\$ 22,685.83	5.59%	\$ 9,718.36	2.65%			\$ 24,723.17	2.34%	\$ 11,207.66	1.61%			\$ 161,748.20	3.01%	\$ 115,497.25	2.49%
December			\$ 121,546.84	2.89%	\$ 96,770.15	2.45%			\$ 19,627.77	5.35%	\$ 12,483.50	3.60%			\$ 59,039.17	2.63%	\$ 30,394.05	1.96%			\$ 200,213.78	2.93%	\$ 139,647.70	2.39%
																			\$ 1,405,642.90	2.58%	\$ 1,847,255.18	2.67%	\$ 1,561,607.20	2.29%

Percent is percent of commodity sales for the month
Dollars are the actual dollars used by the City facilities

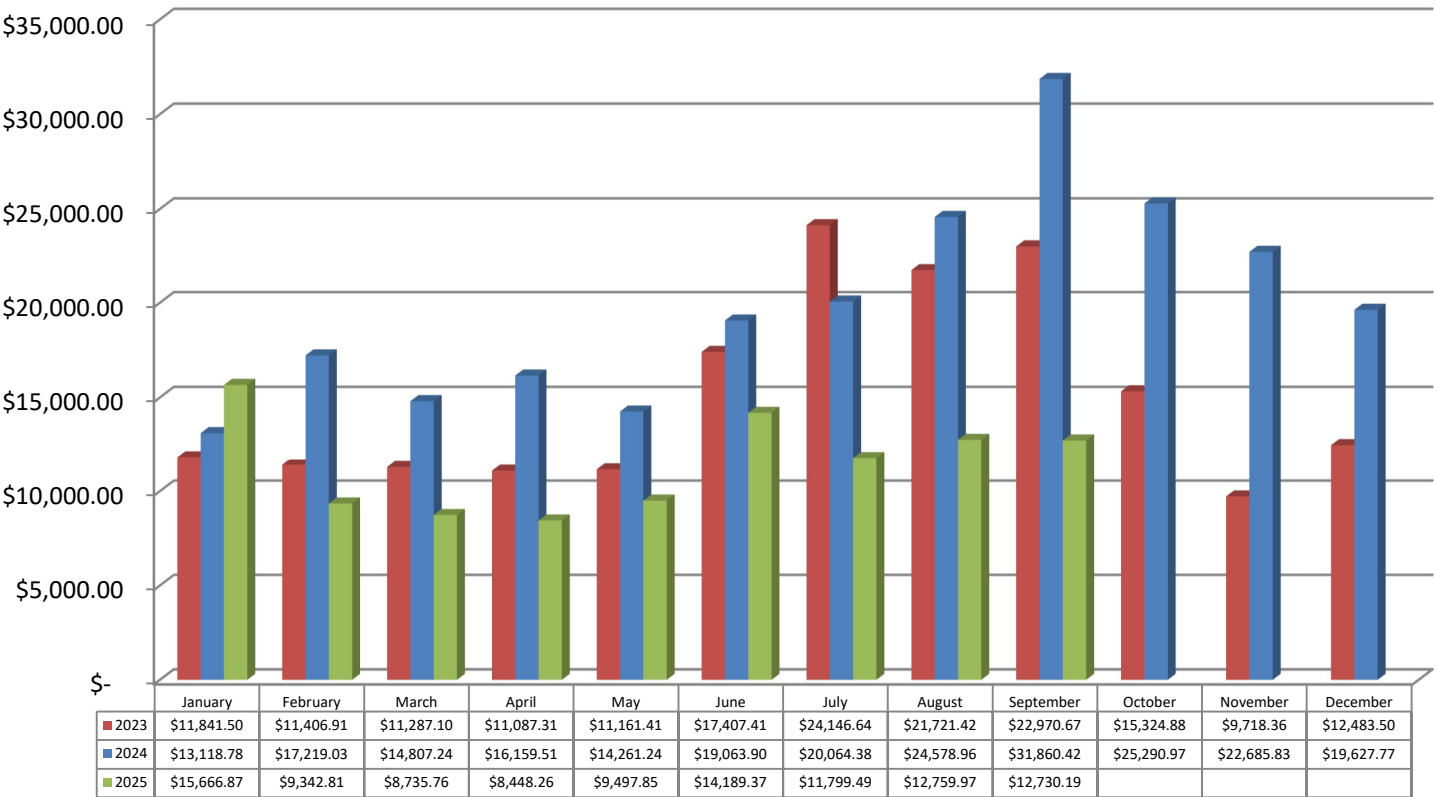
**Contributed Services
Electric Dollars**



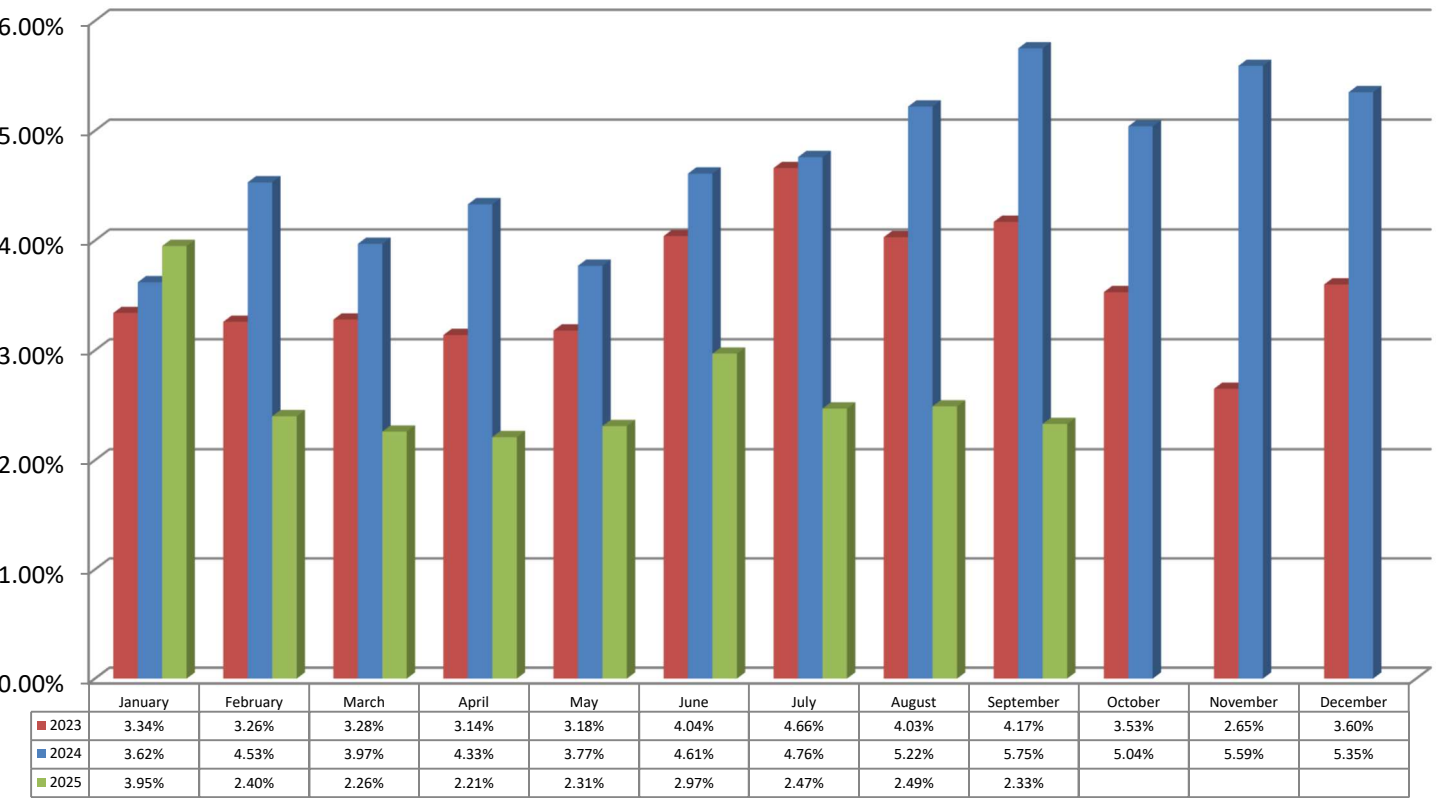
**Contributed Services
Electric Percents**



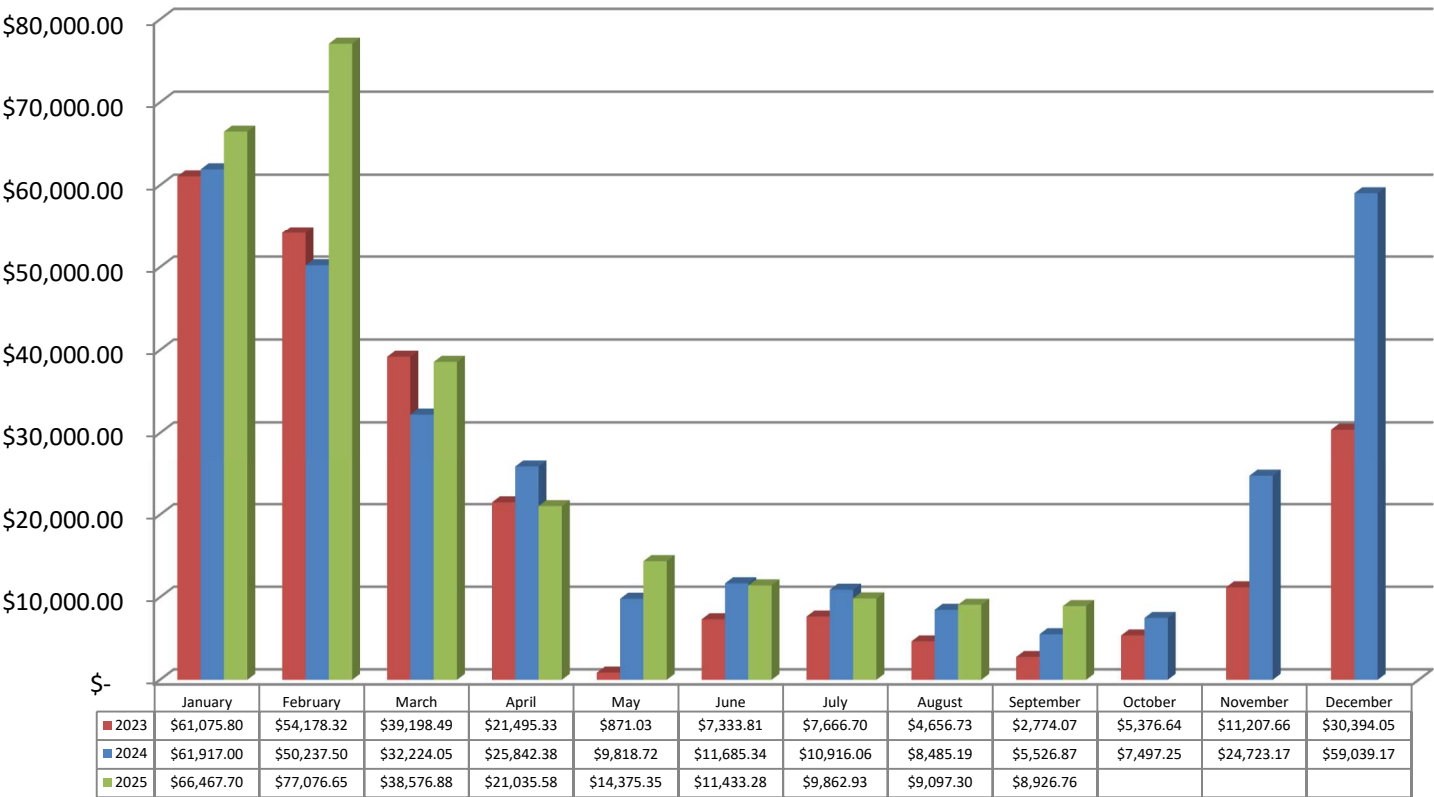
Contributed Services Water Dollars



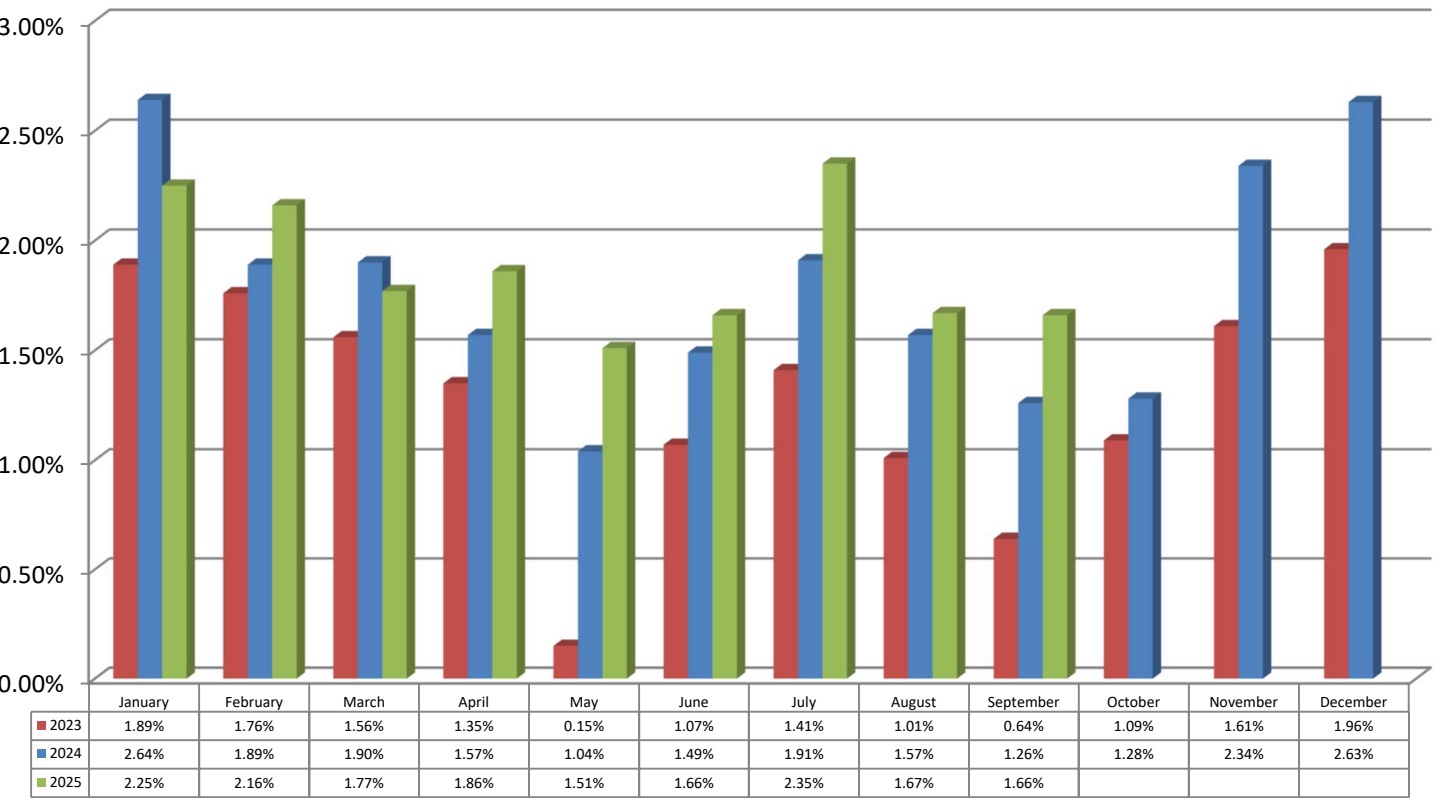
Contributed Services Water Percentages



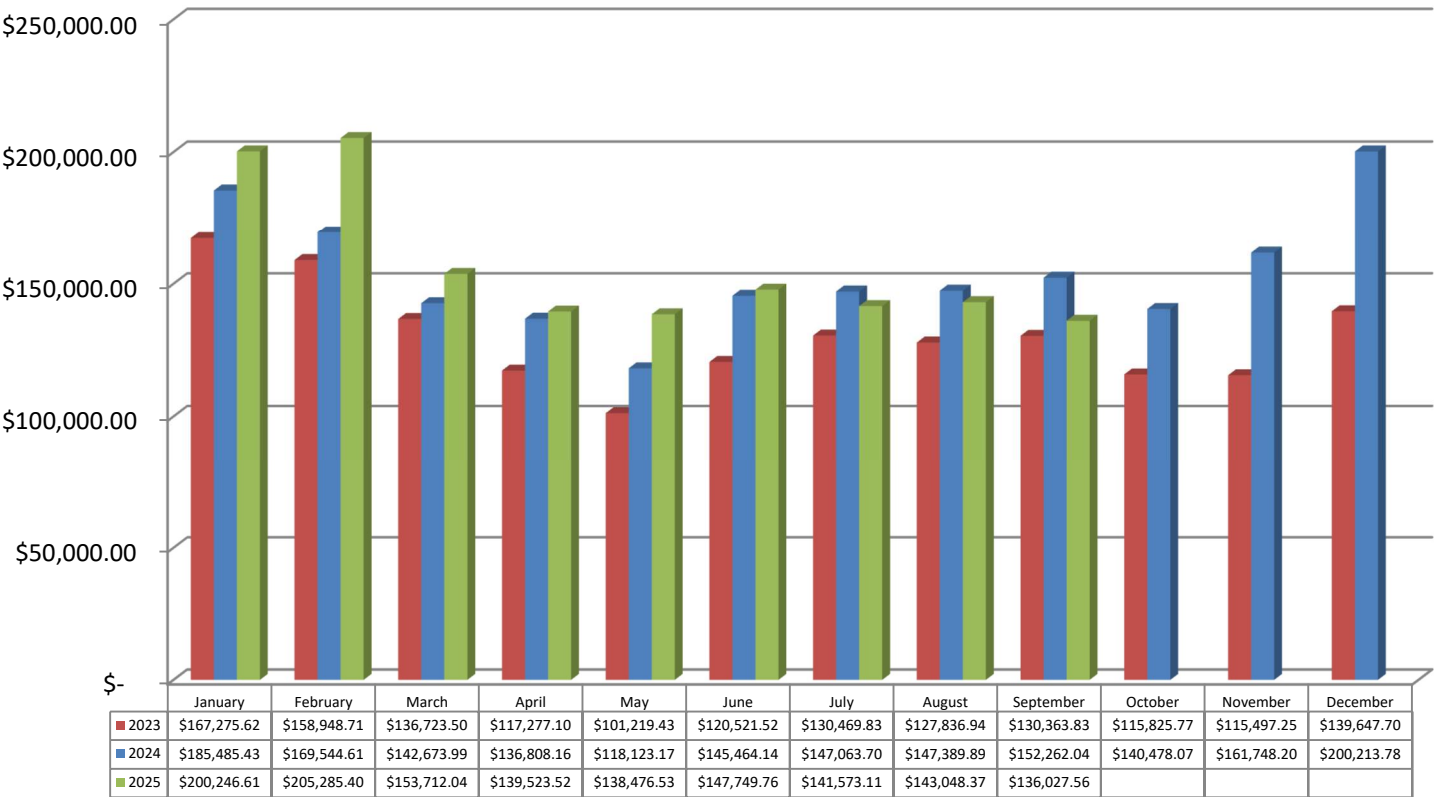
Contributed Services Natural Gas Dollars



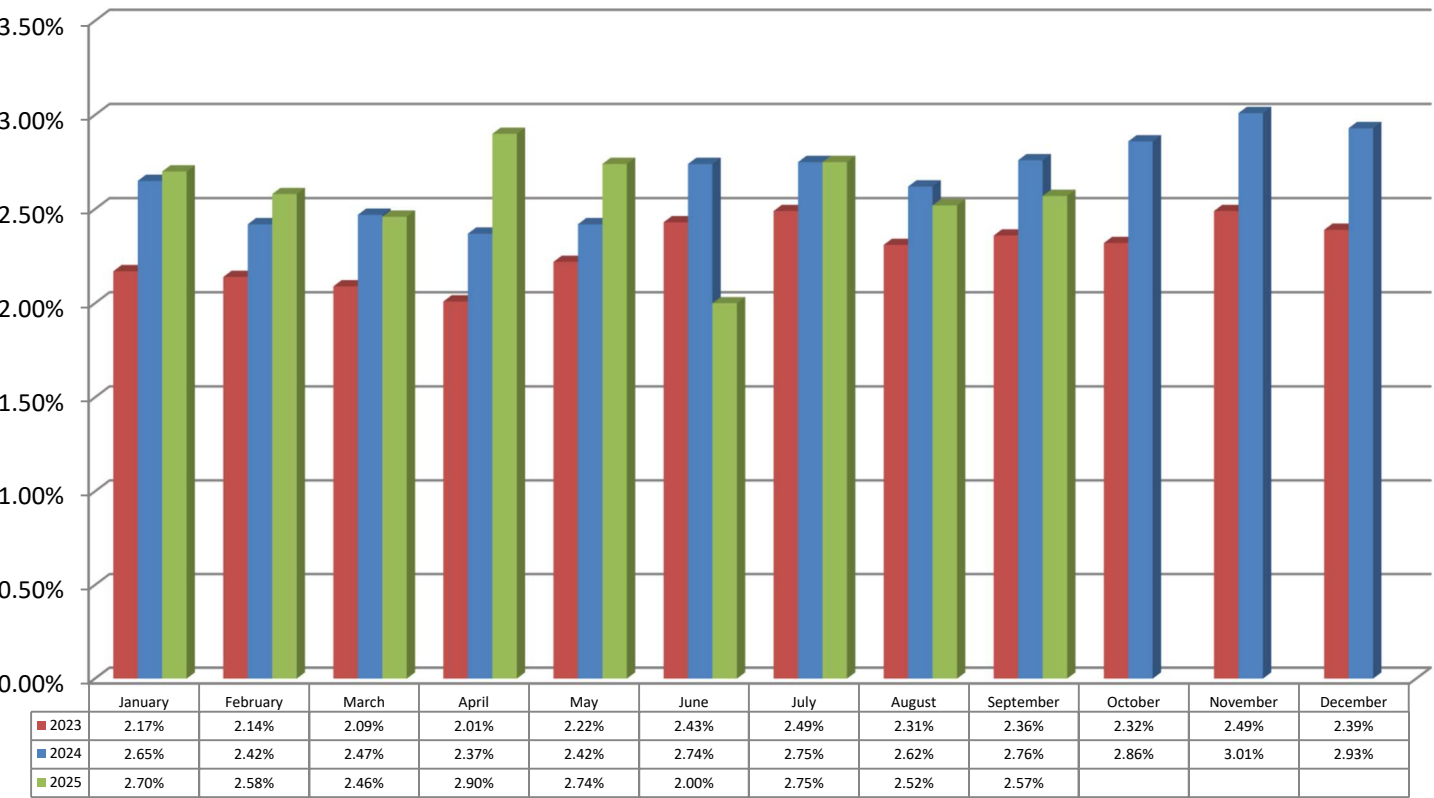
Contributed Services Natural Gas Percents



Contributed Services
Total Dollars



Contributed Services
Total Percents





MEMORANDUM

DATE: 10/9/25
TO: Owatonna Public Utilities Commissioners
FROM: Dave Olson
RE: Human Resources Proposed Policy Updates – Sexual Harassment and Conflicts of Interest

Purpose:

In continuation of our efforts to review and update OPU's HR policies, this month we are proposing changes to both the Sexual Harassment Policy and the Conflicts of Interest Policy. We have compared current policies to standard policies available from the Society of Human Resource Management (SHRM), as well as policies of the City of Owatonna, to determine where updates were needed. The OPU Commission Personnel Committee reviewed and discussed these proposed updates during their September meeting.

When viewing the redline markups of the existing policies it may appear that the changes being proposed are substantial. However, many of the changes simply reorganize and reformat the current information to improve flow and readability. Below are summaries of proposed changes followed by clean and redline versions of the proposed policies.

Proposed Updates to the Sexual Harassment Policy #300.60:

- Shortened the definition of sexual harassment to make it more consistent with EEOC wording
- Added a new section heading "Examples of Sexual Harassment" and reformatted many of the current examples that were in paragraph format into a bullet list
- Added a new section heading "Addressing Sexual Harassment" to include the current language about how employees can and should report alleged harassment as well as language prohibiting retaliation against those who report harassment.
 - In this section the term "aggrieved employee" was replaced in several places with the terms "victim" or "victim of sexual harassment".
 - A paragraph was added in this section outlining the duty of any supervisor or manager who receives a complaint or who is aware of sexual harassment to immediately bring it to the attention of HR.
 - Added clarification that if the General Manager is accused, the Commission must be involved to investigate and make disciplinary decisions.



Proposed Updates to the Conflicts of Interest Policy #310.10:

- Added a new first sentence to the “Purpose” section to clearly state that employees and Commissioners are expected to act in the best interests of OPU.
- Created a “Definitions” section and moved existing definitions of “Personal Interest” and “Affiliation” from the existing text to the new section
- Added a new definition of “Conflict of Interest” including a few examples patterned after a similar City of Owatonna policy.
- Renamed the “Policy Statement” heading to “Policy Restrictions and Prohibitions” and moved items #1, #2, #5, #6 and #8 from the existing policy into that section. These items were then renumbered.
- Added a new heading “Actual or Potential Conflicts of Interest Must be Disclosed” and moved items #3 and #4 from the current policy into that section. The numbering was removed.
- Added a new heading “Commission Approved Exceptions” and moved item #9 from the current policy into that section. The numbering was removed.

POLICY

SEXUAL HARASSMENT

POLICY STATEMENT

It is the policy of the Owatonna Public Utilities that all employees have a right to work in an environment free ~~from any type of discrimination, including freedom~~ from sexual harassment. Owatonna Public Utilities will not tolerate sexual harassment and fully supports enforcement of State and Federal anti-discrimination laws which prohibit sexual harassment. ~~Every employee shall receive a copy of this policy and no employee is exempt from this policy.~~

DEFINITION

The ~~Equal Employment Opportunity Commission (EEOC) law~~ defines sexual harassment as unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct or communication of a sexual nature ~~including, but not limited to the following actions when:~~

1. Submission to such conduct is made, either explicitly or implicitly, a term or condition of an individual's employment
2. Submission to or rejection of such conduct by an individual is used as a basis for employment decisions affecting such individual; or
3. Such conduct has the purpose or effect of substantially interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment.

EXAMPLES OF SEXUAL HARASSMENT

Sexual harassment may be verbal and/or physical and the harasser may be of the same or different gender than the victim. The harasser may be in a position of power or a co-worker or even a non-employee. The victim does not have to be the person harassed but could be anyone affected by the offensive conduct. Below are examples of behavior contributing to sexual harassment. This is not an exclusive list:

- Abusing the dignity of an employee through insulting or degrading sexual remarks or conduct
- ~~This includes a~~Unwelcome sexual flirtations, advances or propositions
- ~~, v~~Verbal abuse of a sexual nature
- ~~S,~~subtle pressure or requests for sexual activities
- ~~, u~~Unnecessary touching of an individual
- ~~G,~~graphic or verbal commentaries about an individual's body
- ~~S,~~sexually degrading words used to describe an individual
- ~~S,~~sexually explicit innuendoes, gestures, or offensive jokes

- Engaging in hostile, or physical contact
- Distribution or display of written or graphic materials of a sexual or gender-biased nature
- Granting job favors or preferential treatment to those who participate in consensual sexual activity
- Sabotaging the victim's work assault.
- ~~Threats, demands, or suggestions from a Supervisor or other employee that an employee's work status is contingent upon the employee's submission and/or toleration of unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature such as uninvited touching or sexually related comments. Work status includes employment, performance reviews, wages, advancement, assigned duties, shifts, or any other condition of employment or career development.~~
- ~~Displaying in the work place sexually suggestive objects or pictures.~~
- ~~Retaliation against employees for reporting/complaining about the behavior cited above or similar behaviors in good faith to be sexual harassment under this policy. Owatonna Public Utilities will discipline any individual who retaliates against any person who reports alleged sexual harassment, or who retaliates against any person who testifies, assists, or participates in any manner in any investigation, proceeding, or hearing relating to the report alleging sexual harassment. Retaliation includes, but is not limited to any form of intimidation, reprisal, or harassment.~~

Page 2

Sexual Harassment – 300.60

ADDRESSING SEXUAL HARASSMENT

Employees who feel they are victims ~~aggrieved because~~ of sexual harassment have several multiple ways to make their concerns known:

- ~~Aggrieved employees~~ A victim of sexual harassment who feels comfortable doing so ~~should is encouraged to~~ directly inform the person engaging in the sexual harassing conduct or communications that such conduct or communications is offensive, against OPU policy, and must stop.
- ~~If the aggrieved employee a victim of sexual harassment~~ does not wish to communicate directly with the person whose conduct or communication is offensive, or if direct communication with the offending party has been unsuccessful, the ~~aggrieved employee~~ victim should immediately contact their department Supervisor, ~~department Manager, or~~ Director, ~~or the~~ Manager of Human Resources, or General Manager. ~~An aggrieved employee is any employee who feels that he or she is a victim of sexual harassment by any supervisor, management official, other employee, customer, client or any other person in connection with employment at the Owatonna Public Utilities.~~

Third persons with the knowledge or belief of conduct ~~contributing to~~ stituting sexual harassment are encouraged to report this to their department Supervisor, Manager, or ~~department~~ Director, or the

Manager of Human Resources, or General Manager. ~~The facts surrounding the incidents shall be reduced to writing and signed by the employee.~~

•
Retaliation against employees for reporting, in good faith, behaviors believed to be sexual harassment under this policy is prohibited. Owatonna Public Utilities will discipline any individual who retaliates against any person who reports alleged sexual harassment, or who retaliates against any person who testifies, assists, or participates in any manner in any investigation, proceeding, or hearing relating to the report alleging sexual harassment. Retaliation includes, but is not limited to any form of intimidation, reprisal, or harassment.

Upon receipt of a complaint of harassment a department Supervisor, Manager or Director must immediately forward the complaint, without screening, to the Manager of Human Resources, or if unavailable the General Manager. Managers and supervisors who knowingly allow or tolerate sexual harassment or retaliation, including failure to immediately report such misconduct to Human Resources, are in violation of this policy and subject to disciplinary action.

~~Every effort will be made to promptly investigate~~ all allegations of sexual harassment will be promptly investigated in as confidential manner as possible and ~~take~~ appropriate corrective action will be taken, if warranted. The General Manager, or the Commission if the General Manager is the accused harasser, shall make a decision regarding the final disposition of the complaint after careful review of the investigation and all relevant facts. Any employee who is determined, after an investigation, to have engaged in sexual harassment in violation of this policy will be subject to appropriate disciplinary action, up to and including termination.

Any questions regarding this policy should be directed to the employee's Supervisor or the Human Resources Department.

EFFECTIVE DATE November 1, ~~2012~~2025

~~Adopted this 25th day of October, 2012 by the Owatonna Public Utilities Commission,~~

~~_____, President.~~
~~David Ihrke~~

~~_____
Dale E. Simon
Vice President~~

~~_____
Mark J. Fritsch
General Manager~~ ~~_____
Scott L. Schreiner
Commissioner~~

Effective: November 16, 1987

Revised: November 1, 2012

~~_____
Steve Stansberry
Commissioner~~

~~_____
Kim J. Cosens
Commissioner~~

POLICY

SEXUAL HARASSMENT

POLICY STATEMENT

It is the policy of the Owatonna Public Utilities that all employees have a right to work in an environment free from sexual harassment. Owatonna Public Utilities will not tolerate sexual harassment and fully supports enforcement of State and Federal anti-discrimination laws which prohibit sexual harassment.

DEFINITION

The Equal Employment Opportunity Commission (EEOC) defines sexual harassment as unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct or communication of a sexual nature when:

1. Submission to such conduct is made, either explicitly or implicitly, a term or condition of an individual's employment
2. Submission to or rejection of such conduct by an individual is used as a basis for employment decisions affecting such individual; or
3. Such conduct has the purpose or effect of substantially interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment.

EXAMPLES OF SEXUAL HARASSMENT

Sexual harassment may be verbal and/or physical and the harasser may be of the same or different gender than the victim. The harasser may be in a position of power or a co-worker or even a non-employee. The victim does not have to be the person harassed but could be anyone affected by the offensive conduct. Below are examples of behavior contributing to sexual harassment. This is not an exclusive list:

- Abusing the dignity of an employee through insulting or degrading sexual remarks or conduct
- Unwelcome sexual flirtations, advances or propositions
- Verbal abuse of a sexual nature
- Subtle pressure or requests for sexual activities
- Unnecessary touching of an individual
- Graphic or verbal commentaries about an individual's body
- Sexually degrading words used to describe an individual
- Sexually explicit innuendoes, gestures, or offensive jokes
- Engaging in hostile physical contact
- Distribution or display of written or graphic materials of a sexual or gender-biased nature
- Granting job favors or preferential treatment to those who participate in consensual sexual activity
- Sabotaging the victim's work

ADDRESSING SEXUAL HARASSMENT

Employees who feel they are victims of sexual harassment have multiple ways to make their concerns known:

- A victim of sexual harassment who feels comfortable doing so is encouraged to directly inform the person engaging in the sexual harassing conduct or communications that such conduct or communications is offensive, against OPU policy, and must stop.
- If a victim of sexual harassment does not wish to communicate directly with the person whose conduct or communication is offensive, or if direct communication with the offending party has been unsuccessful, the victim should immediately contact their department Supervisor, Manager, or Director, or the Manager of Human Resources, or General Manager.

Third persons with the knowledge or belief of conduct contributing to sexual harassment are encouraged to report this to their department Supervisor, Manager, or Director, or the Manager of Human Resources, or General Manager.

Retaliation against employees for reporting, in good faith, behaviors believed to be sexual harassment under this policy is prohibited. Owatonna Public Utilities will discipline any individual who retaliates against any person who reports alleged sexual harassment, or who retaliates against any person who testifies, assists, or participates in any manner in any investigation, proceeding, or hearing relating to the report alleging sexual harassment. Retaliation includes, but is not limited to any form of intimidation, reprisal, or harassment.

Upon receipt of a complaint of harassment a department Supervisor, Manager or Director must immediately forward the complaint, without screening, to the Manager of Human Resources, or if unavailable the General Manager. Managers and supervisors who knowingly allow or tolerate sexual harassment or retaliation, including failure to immediately report such misconduct to Human Resources, are in violation of this policy and subject to disciplinary action.

All allegations of sexual harassment will be promptly investigated in as confidential manner as possible and appropriate corrective action will be taken, if warranted. The General Manager, or the Commission if the General Manager is the accused harasser, shall make a decision regarding the final disposition of the complaint after careful review of the investigation and all relevant facts. Any employee who is determined, after an investigation, to have engaged in sexual harassment in violation of this policy will be subject to appropriate disciplinary action, up to and including termination.

Any questions regarding this policy should be directed to the employee's Supervisor or the Human Resources Department.

EFFECTIVE DATE November 1, 2025

Adopted this 28th day of October, 2025 by the Owatonna Public Utilities Commission,

_____, President.
Kent D. Rossi

Gregory J. Vetter
Vice President

Roger E. Warehime
General Manager

Jay S. Johnson
Commissioner

Effective: November 16, 1987
Revised: November 1, 2012
November 1, 2025

Douglas A. Zirngible
Commissioner

Sharon E. McLane
Commissioner

POLICY

CONFLICTS OF INTEREST POLICY

PURPOSE

~~——Owatonna Public Utilities (OPU) Commissioners and employees are expected to act in the best interests of OPU. Conflicts of interest, both actual and perceived, of Commissioners or employees of Owatonna Public Utilities (OPU), do not serve the public trust and are detrimental to the proper functioning of OPU. This Policy is issued to assist OPU Commissioners and employees in the ethical and legal performance of their duties and responsibilities.~~

DEFINITIONS

Personal Interest – any interest, including but not limited to financial interest, where an employee or Commissioner, or their immediate family member, would gain a benefit, privilege, exemption or advantage through their employment at OPU that is not available to the general public.

Affiliation – when an employee or Commissioner, or their immediate family member, has ownership in or holds or accepts a position of any type, paid or unpaid, or becomes a member of any vendor, contractor, supplier, customer that purchases significant amounts of commodity from OPU, or a competitor of OPU.

Conflict of Interest – a situation in which a Commissioner or employee of OPU has competing interests with OPU that could potentially influence their decisions, actions, or judgement in a way that is not impartial. This occurs when Personal Interests conflict with professional duties or responsibilities. Examples of a Conflict of Interest may include, but are not limited to, the following:

1. Use of confidential OPU or customer information for personal gain;
2. Soliciting or accepting personal gifts or favors except as specifically allowed;
3. Use of OPU employment or position for the benefit of their Personal Interest;
4. An Affiliation with an outside organization which does or seeks to do business with OPU or is a competitor to OPU.

POLICY STATEMENTPOLICY RESTRICTIONS AND PROHIBITIONS

~~——No OPU Commissioner or employee shall have a Ppersonal Iinterest, whether direct or indirect, in any act or decision of OPU except as may be specifically allowed by law (e.g., Minn. Stat. §§ 471.88, 471.895). For purposes of this Policy, a Commissioner or employee of OPU may be deemed to have a~~

~~direct or indirect personal interest, including a financial interest (“Personal Interest”), in a matter if his or her spouse, child, parent, or sibling has Personal Interest.~~ The prohibitions specified ~~below in this policy~~ are not exhaustive. Commissioners and employees have an obligation to avoid ~~C~~onflicts of ~~I~~nterest and to refer questions and concerns about potential conflicts to their supervisor.

1. Conflicts of Interest are Prohibited. OPU Commissioners and employees authorized to take part in any manner in making any sale, lease, or contract in the Commissioner’s or employee’s official capacity shall not voluntarily have a Personal Interest in that sale, lease, or contract, or personally benefit financially therefrom.

Page 2

Conflicts of Interest - #310.10

2. Potential Conflicts of Interest are Prohibited. A potential ~~C~~onflict of ~~I~~nterest is present if a Commissioner or employee knows ~~or has reason to know~~ that he or she, or any organization with whom he or she ~~is affiliated~~has an Affiliation, ~~is, or~~ is likely to be, affected by an action or decision of the Commissioner or the employee, unless the effect on the person or organization is no greater than on other members of the same business classification, profession, or occupation. Employees and Commissioners are not to engage in, directly or indirectly, any conduct that is detrimental, disruptive, competitive, or damaging to the mission or functions of OPU.
3. ~~Disclosure of Potential Conflicts and Financial Interests. Before taking an action or making a decision that could substantially affect the Personal Interest of a Commissioner or employee, or an organization with whom he or she is affiliated, the potential conflict of interest must be disclosed in writing. The disclosure must describe the matter requiring an action or decision and the nature of the potential conflict. The disclosure must be submitted to the General Manager no later than one week after the individual~~

~~becomes aware of the potential conflict of interest. Additionally, employees and Commissioners must disclose any significant financial interest that they have in any firm that provides a product or service to OPU, purchases significant amounts of commodity from OPU, and/or that competes with OPU. OPU may require divestiture of such interest if it deems the interest to be in conflict with OPU's best interest.~~

~~4. Effect of Disclosure. If an employee discloses a potential conflict of interest, the employee's supervisor shall immediately assign the matter to another employee who does not have a potential conflict. If a Commissioner discloses a potential conflict of interest, the Commissioner shall not: (a) attempt to influence any Commissioner or employee in any matter related to the action or decision in question; (b) participate in the discussion or vote of the action or decision; or (c) be counted toward a quorum during the portion of any meeting in which the action or decision is to be considered.~~

53. Prohibited Conduct.

(a) Commissioners, employees, and their immediate family shall not use their position to secure special privileges or exemptions or to solicit personal gifts or favors.

~~(b) Employees and Commissioners shall not give, offer, or promise, directly or indirectly, anything of value to any representative of a customer, of a potential customer, or of a financial institution in connection with any transaction or business that OPU may have with such customer, potential customer, or financial institution.~~

~~(c) Except as specifically provided in Minn. Stat. § 471.895, Commissioners and employees shall not accept or receive any gift of substance, under circumstances in which it could be reasonably expected to influence them, their performance or official action, or be intended as a reward for their official action. The meaning of gift for purpose of this policy includes money, services, meals, refreshments, entertainment, lodging, travel, and hospitality.~~

64. Protected Data. Employees and Commissioners shall not disclose to the public, or use for the individual's or another person's personal gain, information that was obtained by reason of the individual's position at OPU if the information was not public data or was discussed at a closed session of the OPU Commission. Commissioners and employees may learn or become aware of information about OPU which, if known to the public, might affect the decisions of a reasonable investor to buy, sell, or hold securities issued by OPU. Employees and Commissioners are prohibited from misusing such material inside information prior to public disclosure by purchasing or selling OPU's securities for their own account or for accounts of members of their immediate family.

85. Trading Restrictions. Commissioners, employees, and their immediate family who own securities issued by OPU are prohibited from engaging in “short-swing” trading of such securities by purchasing and selling, or selling and repurchasing, such securities within a period of less than six months.

DRAFT

ACTUAL OR POTENTIAL CONFLICTS OF INTEREST MUST BE DISCLOSED

Conflicts of Interest - #310.10

Before taking an action or making a decision that could substantially affect the Personal Interest of a Commissioner or employee, or an organization with whom he or she has an Affiliation, any potential Conflict of Interest must be disclosed in writing. The disclosure must describe the matter requiring an action or decision and the nature of the potential conflict. The disclosure must be submitted to the General Manager no later than one week after the individual becomes aware of the potential Conflict of Interest. Additionally, employees and Commissioners must disclose any significant financial interest

Page 3

Conflicts of Interest - #310.10

that they have in any firm that provides a product or service to OPU, purchases significant amounts of commodity from OPU, or that competes with OPU. OPU may require divestiture of such interest if it deems the interest to be in conflict with OPU's best interest.

If an employee discloses a potential Conflict of Interest, the employee's supervisor shall immediately assign the matter to another employee who does not have a potential conflict.

If a Commissioner discloses a potential Conflict of Interest, the Commissioner shall not:

- (a) attempt to influence any Commissioner or employee in any matter related to the action or decision in question;
- (b) participate in the discussion or vote of the action or decision; or
- (c) be counted toward a quorum during the portion of any meeting in which the action or decision is to be considered.

COMMISSION APPROVED EXCEPTIONS

9. BoardThe Commission mMay aApprove exceptions for cCertain Affiliations. Even if a particular situation does not constitute an actual or potential Ceonflict of Iinterest, the perception of a Ceonflict of Iinterest should also be avoided. Therefore, before entering into an employee or Commissioner accepts a position of any type, paid or unpaid, or becomes a member of or participant with any vendor, contractor, or supplier of OPU, any entity that purchases significant amounts of commodity from OPU, or a competitor of OPU (the "Affiliation that could create a perceived or potential Conflict of Interest"), the employee or Commissioner shall give notice describing the Affiliation to the General Manager. The General Manager shall present the proposed Affiliation in writing to the OPU Board of Commissioners for approval or disapproval based on whether the perception of a Ceonflict of Iinterest reasonably may be present or an actual or potential Ceonflict of Iinterest reasonably may arise. The Board of Commissioners shall make its decision promptly.

EFFECTIVE DATE: MayNovember 1, 20142025

Adopted this 22st day of April, 2014 by the Owatonna Public Utilities Commission,

_____, President.

Dale E. Simon

Scott L. Schreiner
Vice President

Adopted: August 1, 1991
Revised: May 1, 2014

DRAFT

POLICY

CONFLICTS OF INTEREST POLICY

PURPOSE

Owatonna Public Utilities (OPU) Commissioners and employees are expected to act in the best interests of OPU. Conflicts of interest, both actual and perceived, of Commissioners or employees of OPU, do not serve the public trust and are detrimental to the proper functioning of OPU. This Policy is issued to assist OPU Commissioners and employees in the ethical and legal performance of their duties and responsibilities.

DEFINITIONS

Personal Interest – any interest, including but not limited to financial interest, where an employee or Commissioner, or their immediate family member, would gain a benefit, privilege, exemption or advantage through their employment at OPU that is not available to the general public.

Affiliation – when an employee or Commissioner, or their immediate family member, has ownership in or holds or accepts a position of any type, paid or unpaid, or becomes a member of any vendor, contractor, supplier, customer that purchases significant amounts of commodity from OPU, or a competitor of OPU.

Conflict of Interest – a situation in which a Commissioner or employee of OPU has competing interests with OPU that could potentially influence their decisions, actions, or judgement in a way that is not impartial. This occurs when Personal Interests conflict with professional duties or responsibilities. Examples of a Conflict of Interest may include, but are not limited to, the following:

1. Use of confidential OPU or customer information for personal gain;
2. Soliciting or accepting personal gifts or favors except as specifically allowed;
3. Use of OPU employment or position for the benefit of their Personal Interest;
4. An Affiliation with an outside organization which does or seeks to do business with OPU or is a competitor to OPU.

POLICY RESTRICTIONS AND PROHIBITIONS

No OPU Commissioner or employee shall have a Personal Interest, whether direct or indirect, in any act or decision of OPU except as may be specifically allowed by law (e.g., Minn. Stat. §§ 471.88, 471.895). The prohibitions specified below are not exhaustive. Commissioners and employees have an obligation to avoid Conflicts of Interest and to refer questions and concerns about potential conflicts to their supervisor.

1. Conflicts of Interest are Prohibited. OPU Commissioners and employees authorized to take part in any manner in making any sale, lease, or contract in the Commissioner's or employee's official capacity shall not voluntarily have a Personal Interest in that sale, lease, or contract, or personally benefit financially therefrom.
2. Potential Conflicts of Interest are Prohibited. A potential Conflict of Interest is present if a Commissioner or employee knows that he or she, or any organization with whom he or she has an Affiliation, is likely to be affected by an action or decision of the Commissioner or the employee, unless the effect on the person or organization is no greater than on other members of the same business classification, profession, or occupation. Employees and Commissioners are not to engage in, directly or indirectly, any conduct that is detrimental, disruptive, competitive, or damaging to the mission or functions of OPU.
3. Prohibited Conduct.
 - (a) Commissioners, employees, and their immediate family shall not use their position to secure special privileges or exemptions or to solicit personal gifts or favors.
 - (b) Employees and Commissioners shall not give, offer, or promise, directly or indirectly, anything of value to any representative of a customer, of a potential customer, or of a financial institution in connection with any transaction or business that OPU may have with such customer, potential customer, or financial institution.
 - (c) Except as specifically provided in Minn. Stat. § 471.895, Commissioners and employees shall not accept or receive any gift of substance, under circumstances in which it could be reasonably expected to influence them, their performance or official action, or be intended as a reward for their official action. The meaning of gift for purpose of this policy includes money, services, meals, refreshments, entertainment, lodging, travel, and hospitality.
4. Protected Data. Employees and Commissioners shall not disclose to the public, or use for the individual's or another person's personal gain, information that was obtained by reason of the individual's position at OPU if the information was not public data or was discussed at a closed session of the OPU Commission. Commissioners and employees may learn or become aware of information about OPU which, if known to the public, might affect the decisions of a reasonable investor to buy, sell, or hold securities issued by OPU. Employees and Commissioners are prohibited from misusing such material inside information prior to public disclosure by purchasing or selling OPU's securities for their own account or for accounts of members of their immediate family.
5. Trading Restrictions. Commissioners, employees, and their immediate family who own securities issued by OPU are prohibited from engaging in "short-swing" trading of such securities by purchasing and selling, or selling and repurchasing, such securities within a period of less than six months.

ACTUAL OR POTENTIAL CONFLICTS OF INTEREST MUST BE DISCLOSED

Before taking an action or making a decision that could substantially affect the Personal Interest of a Commissioner or employee, or an organization with whom he or she has an Affiliation, any potential Conflict of Interest must be disclosed in writing. The disclosure must describe the matter requiring an action or decision and the nature of the potential conflict. The disclosure must be submitted to the General Manager no later than one week after the individual becomes aware of the potential Conflict of Interest. Additionally, employees and Commissioners must disclose any significant financial interest

that they have in any firm that provides a product or service to OPU, purchases significant amounts of commodity from OPU, or that competes with OPU. OPU may require divestiture of such interest if it deems the interest to be in conflict with OPU's best interest.

If an employee discloses a potential Conflict of Interest, the employee's supervisor shall immediately assign the matter to another employee who does not have a potential conflict.

If a Commissioner discloses a potential Conflict of Interest, the Commissioner shall not:

- (a) attempt to influence any Commissioner or employee in any matter related to the action or decision in question;
- (b) participate in the discussion or vote of the action or decision; or
- (c) be counted toward a quorum during the portion of any meeting in which the action or decision is to be considered.

COMMISSION APPROVED EXCEPTIONS

The Commission may approve exceptions for certain Affiliations. Even if a particular situation does not constitute an actual or potential Conflict of Interest, the perception of a Conflict of Interest should also be avoided. Therefore, before entering into an Affiliation that could create a perceived or potential Conflict of Interest, the employee or Commissioner shall give notice describing the Affiliation to the General Manager. The General Manager shall present the proposed Affiliation in writing to the OPU Board of Commissioners for approval or disapproval based on whether the perception of a Conflict of Interest reasonably may be present or an actual or potential Conflict of Interest reasonably may arise. The Board of Commissioners shall make its decision promptly.

EFFECTIVE DATE: November 1, 2025

Adopted this 28th day of October, 2025 by the Owatonna Public Utilities Commission,

_____, President.
Kent D. Rossi

Gregory J. Vetter
Vice President

Roger E. Warehime
General Manager

Jay S. Johnson
Commissioner

Adopted: August 1, 1991
Revised: May 1, 2014
November 1, 2025

Douglas A. Zirngible
Commissioner

Sharon E. McLane
Commissioner

Owatonna Public Utilities

Disbursements September 2025

Date	#	Type	VENDOR	VENDOR NAME	REFERENCE	AMOUNT
9/4/2025	157412	CHK	00185	ALEXANDER LUMBER COMPANY	5,7,8&9 WELL PAINT CONTAINMENT BRUSH,TAP	125.76
9/4/2025	157413	CHK	00001	ALTERNATIVE TECHNOLOGIES INC	OIL TEST W/KF MOISTURE & GAS ANALYSIS	1,430.00
9/4/2025	157414	CHK	08806	AMARIL UNIFORM COMPANY #1	Nick S Logo sweatshirt, company logo, sh	180.27
9/4/2025	157415	CHK	09160	APG MEDIA OF MN LLC	August Banner 6X2.5 Gas Safety	89.00
9/4/2025	157416	CHK	09444	AUTO VALUE OWATONNA	BALL/PIN COMBINATION	163.99
9/4/2025	157417	CHK	00964	BLOCK PLUMBING & HEATING	WSLPP 1032 10TH AVE NE-PAT DISHER/Move gas meter 1770 Parkside	1,697.38
9/4/2025	157418	CHK	00965	BORDER STATES ELECTRIC SUPPLY	1PH XFMR BOX PAD with bolts & brackets	4,899.15
9/4/2025	157419	CHK	05444	CDW GOVERNMENT LLC	STARTECH TRIPLE 4K USB-C MON DOCK, ADAPT/ADAPTER/READER	14,381.72
9/4/2025	157420	CHK	06152	CENTURYLINK	Monthly Services	299.34
9/4/2025	157421	CHK	06172	CENTURYLINK BUSINESS SERVICES	Monthly Service	21.69
9/4/2025	157422	CHK	09072	CINTAS CORPORATION - GK	MAT RENTAL	210.27
					MOVE SWITCH, REPLACE&FIX OUTLETS/BORE CONDUITS/HY-VEE ENTRANCE	
9/4/2025	157423	CHK	00983	COLE'S ELECTRIC INC	LIGHTS/CIRCLE K	25,741.96
9/4/2025	157424	CHK	00116	CROSSTOWN CARTAGE COMPANY OF OWATONNA IN	Scheduled Service, Miscellaneous, Parcel	1,038.00
9/4/2025	157425	CHK	00986	DAVID BERG CONSULTING, LLC	Electric Cost of Service Study4-07/31/25	17,000.00
9/4/2025	157426	CHK	08664	DGR ENGINEERING	Long Range System Study and CIP/Professional Services	13,656.00
9/4/2025	157427	CHK	09306	GREENCARE	AUGUST IRRIGATION CHECKUP	124.00
9/4/2025	157428	CHK	08500	IDEAL SERVICE INC	VFD PREVENTATIVE MAINTENANCE	1,365.00
9/4/2025	157429	CHK	06082	JAGUAR COMMUNICATIONS INC	2025 AUGUST LOCATES	22,375.00
9/4/2025	157430	CHK	01945	LOCAL UNION 949 IBEW	Local Union Dues	2,100.40
9/4/2025	157431	CHK	08450	MARCO TECHNOLOGIES LLC	ECOPRINTQ RFIDEAS HP HID ICLASS USB	277.03
9/4/2025	157432	CHK	01064	MINNESOTA MUNICIPAL UTILITIES ASSOCIATION	Ryan Haberman Member Reg & OH School/AI & Utility Conf CF	845.00
9/4/2025	157433	CHK	01215	MINNESOTA OFFICE OF PIPELINE SAFETY	MOPS QTRLY MTR ASSESSMENT 04/01-06/30/25	894.90
9/4/2025	157434	CHK	09420	OWATONNA ACE HARDWARE	FASTENERS/CABLE FOR TRAILERS/ALGAE LIQUID VACTRON	160.36
9/4/2025	157435	CHK	01246	OWATONNA AREA CHAMBER OF COMMERCE AND TO	Tuition for OwatCommunityLeadershipAnneK	1,295.00
9/4/2025	157436	CHK	01170	POSTMASTER	September Newsletter Postage	3,351.10
9/4/2025	157437	CHK	00009	RESCO-RURAL ELECTRIC SUPPLY COOPERATIVE	CLAMP WEDGE 4-1/0 ACSR,REEL OH 1200FT	2,090.74
9/4/2025	157438	CHK	01122	SPECIALTY PERSONNEL SERVICES INC	SAM CLOUTIER & GAGE MOTL WE 08/17/25, 08/24	6,778.68
9/4/2025	157439	CHK	01128	STEELE-WASECA COOPERATIVE ELECTRIC	ISP SERV TERRITORY CONTRACT 8,10,13	8,503.20
9/4/2025	157440	CHK	09412	STEVE JAMES EXCAVATING INC	DIRT 3 YARDS, CRUSHED ROCK	640.72
9/4/2025	157441	CHK	03190	STUART C IRBY CO	FIBERGLASS PATCH PRO, AERSOL PAINT PADMOUNT	229.78
9/4/2025	157442	CHK	01067	SWAGelok MINNESOTA	MS TRAINING 8HOUR	480.96
9/4/2025	157443	CHK	09465	TANKSCO INC	07/08-08/14/25 TOWER #7 PROJECT #1266-24	173,517.50
9/4/2025	157444	CHK	00028	TOWNSQUARE MEDIA FARIBAULT	Various digital advertising services/Energy Audit/Gas Safety/Peak Alerts	5,239.00
9/4/2025	157445	CHK	01050	TRI M GRAPHICS	Aug 2025 Customer Update, 11 X 17/Business Cards/Tree Trim Door Hanger	7,342.47
9/4/2025	157446	CHK	00249	VAN METER INC	FERRULE INSULATED YZ100 ODORIZER/INPUT ANALOG POINT/CONDUIT	3,694.31
9/4/2025	157447	CHK	09313	VERIZON	August Monthly Vehicle Tracking Service	788.25
9/4/2025	157448	CHK	04243	VERIZON WIRELESS	Monthly Services	225.55
9/4/2025	157449	CHK	00613	VISION COMPANIES LLC	Everyday Leadership Program Monthly	5,000.00
9/4/2025	157450	CHK	01188	WESCO DISTRIBUTION INC	WIREHOLDER	299.78
9/4/2025	157451	CHK	09104	ZIEGLER INC	#T55 NEW TRAILER EQUIP TITLE/LICENSE	47.25
9/11/2025	157452	CHK	09360	ABOVE ALL CLEANING INC	2025 SEPTEMBER JANITORIAL SERVICES	5,114.93
9/11/2025	157453	CHK	00185	ALEXANDER LUMBER COMPANY	CAULK GRAY WEATHERMASTER WELL HOUSE	22.25
9/11/2025	157454	CHK	08806	AMARIL UNIFORM COMPANY #1	FR Clothing Jake R	217.27
9/11/2025	157455	CHK	09251	AT&T MOBILITY	Monthly Services	393.98
9/11/2025	157456	CHK	09444	AUTO VALUE OWATONNA	NUT DRIVER 7/16 X 3/PERMATEx MED STRE	59.98
9/11/2025	157457	CHK	00964	BLOCK PLUMBING & HEATING	WSLPP 1721 PRAIRIE LN NE-JAMES WARREN	781.80
9/11/2025	157458	CHK	09066	BLUE CROSS BLUE SHIELD OF MN- DENTAL	October Dental Premiums	2,494.73
9/11/2025	157459	CHK	00965	BORDER STATES ELECTRIC SUPPLY	STRAINLINK FIBERGLASS 15K 18.0IN C-TE VE/COLD SHRINK	1,706.60
9/11/2025	157460	CHK	07150	CARR'S TREE SERVICE INC	TREE TRIMMING WEEK 08/04/25 STORM	11,254.96
9/11/2025	157461	CHK	06152	CENTURYLINK	Monthly Services	114.00
9/11/2025	157462	CHK	00983	COLE'S ELECTRIC INC	EMERGENCY BORE AT BRIDGE ST/ALLEN	11,000.00
9/11/2025	157463	CHK	09399	DUFOR CLEANERS	August FR Clothing Cleaning	3,199.74
9/11/2025	157464	CHK	09483	ELK RIVER MUNICIPAL UTILITIES	Mutual Aid Storm Damage 07/29/25	1,841.55
9/11/2025	157465	CHK	01002	FASTENAL COMPANY	VARIOUS GLOVES DISPOSABLE WELL CHEMICAL	72.65
9/11/2025	157466	CHK	00040	FERGUSON ENTERPRISES INC	BLK MI CORED PLUG, BLK MI 150# 90 ELL	691.50
9/11/2025	157467	CHK	00160	FIRST SUPPLY LLC-OWATONNA	TEFLON SEALANT & BLACK TC PIPE	100.17
9/11/2025	157468	CHK	01026	HILTI INC	REPAIR CUTTER CABLE CORDLESS NCT	1,054.56
9/11/2025	157469	CHK	00068	HUBER SUPPLY COMPANY INC	2025 AUGUST CYLINDER RENT AC,AR,CO,NI,OX	116.89
9/11/2025	157470	CHK	09468	KAAL-TV, LLC	Advertisements/Energy Hero Commercial	450.00
9/11/2025	157471	CHK	08450	MARCO TECHNOLOGIES LLC	Monthly Services	1,418.36
9/11/2025	157472	CHK	03487	MINNESOTA DEPT OF COMMERCE	2ND QTR 2026 INDIRECT ASSESSMENT ELE	10,785.29
9/11/2025	157473	CHK	09244	MINNESOTA LIFE INSURANCE COMPANY	Premiums Life Ins Sept 2025	3,919.52
9/11/2025	157474	CHK	09211	MINNESOTA PAVING AND MATERIALS	STONE ROAD 3" EROSION ROCK	237.01
9/11/2025	157475	CHK	01073	NAPA AUTO PARTS	SQUEEGEE	48.91
9/11/2025	157476	CHK	01948	NCBERS MINNESOTA	October NCPERS Premiums	432.00
9/11/2025	157477	CHK	09449	NECA IBEW FAMILY MEDICAL CARE PLAN	OCTOBER PREMIUMS UNION EMPLOYEES	94,104.70
9/11/2025	157478	CHK	07868	ONLINE INFORMATION SERVICES INC	Utility Exchange Report/Collections	245.72
9/11/2025	157479	CHK	00009	RESCO-RURAL ELECTRIC SUPPLY COOPERATIVE	CONNECTOR PAR GRV	454.49
9/11/2025	157480	CHK	09342	SEYKORA AUTOMOTIVE	#32 FOUR NEW TIRES MOUNT & BALANCE	1,590.33
9/11/2025	157481	CHK	01117	SHERWIN WILLIAMS COMPANY THE	PAINT	118.12
9/11/2025	157482	CHK	09403	SIGN PRO OF OWATONNA	UPDATE VEHICLE #1 TO #10	26.71
9/11/2025	157483	CHK	01122	SPECIALTY PERSONNEL SERVICES INC	GAGE MOTL WE 08/31/25 & 9/7/25	3,670.56
9/11/2025	157484	CHK	9384	STEELE COUNTY INFORMATION NETWORK	Advertising Energy Hero	100.00
9/11/2025	157485	CHK	09412	STEVE JAMES EXCAVATING INC	DIRT 3 YARDS	96.19

Owatonna Public Utilities

Date	#	Type	VENDOR	VENDOR NAME	REFERENCE	AMOUNT
9/11/2025	157486	CHK	03190	STUART C IRBY CO	EYE LED photocell, low profile/Bare Spools/Anvil, Threadolet Steel	5,663.01
9/11/2025	157487	CHK	09158	T-MOBILE	Monthly and one-time charges	377.36
9/11/2025	157488	CHK	00028	TOWNSQUARE MEDIA FARIBAULT	Weather Based Irrigation Controller ads	4,922.00
9/11/2025	157489	CHK	04308	UTILITY SAFETY & DESIGN INC	EWN LICENSE RENEWAL&EMPLOYMENT DRUG TEST	2,570.00
9/11/2025	157490	CHK	09185	VALEK SANDBLASTING & PAINTING LLC	blasting, powder coat gray	618.75
9/11/2025	157491	CHK	04243	VERIZON WIRELESS	Monthly Service 07/24-08/23/25	2,216.96
9/11/2025	157492	CHK	02314	WATER CONSERVATION SERVICES INC	Water Leak Locate-1185 RIDGE ROAD	914.60
9/11/2025	157493	CHK	9998	AMAL M ABDILLAH	INACTIVE REFUND	85.13
9/11/2025	157494	CHK	9996	CTS	MR Refund Invoice 966	2,757.38
9/11/2025	157495	CHK	9998	JONTE D DOUGLAS	INACTIVE REFUND	83.75
9/11/2025	157496	CHK	9998	ADAM B EUSTICE	INACTIVE REFUND	9.55
9/11/2025	157497	CHK	9997	PAIGE M HEIMERMAN	WSLPP 558 AGNES ST-PAIGE HEIMERMAN	208.70
9/11/2025	157498	CHK	9998	RICHARD A HENDERSON	INACTIVE REFUND	59.47
9/11/2025	157499	CHK	9998	ARTEMIO J JUAREZ	INACTIVE REFUND	20.16
9/11/2025	157500	CHK	9998	VICTOR A KNPPE	INACTIVE REFUND	60.08
9/11/2025	157501	CHK	9998	EDILMA LAYNES AMBROERO	INACTIVE REFUND	88.99
9/11/2025	157502	CHK	9998	MRS HELEN I LYMAN	INACTIVE REFUND	155.87
9/11/2025	157503	CHK	9998	DARLING OLIVARES SILVA	INACTIVE REFUND	125.90
9/11/2025	157504	CHK	9998	ABDULLAH M OMAR	INACTIVE REFUND	12.22
9/11/2025	157505	CHK	9998	DONALD F REDMAN	INACTIVE REFUND	10.41
9/11/2025	157506	CHK	9997	MR ROY A RUNYON	WSLPP 464 BRIDGE ST-ROY RUNYON	443.63
9/11/2025	157507	CHK	9997	STEELE COUNTY	REBATE PRESCRIPTIVE GAS,ROOFTOP&PACK AC	8,000.00
9/11/2025	157508	CHK	9999	T-MOBILE	Refund Escrow Bal 26th St NE Tower Proje	794.74
9/18/2025	157509	CHK	00335	AMERIGAS - 2318	2 33.5LB CYLINDER PROPANE FOR FORKLIFT	117.55
9/18/2025	157510	CHK	09093	BALLSTADT ENTERPRISES LLC	STORM DAMAGE REPAIR YARDS	3,086.02
9/18/2025	157511	CHK	00182	BARR ENGINEERING CO	SERVICES GEN ASSIST 07/12/25 - 08/08/25	468.00
9/18/2025	157512	CHK	00964	BLOCK PLUMBING & HEATING	440 16TH ST SW NO HOT WATER/WSLPP 224 LINDEN AVE	859.74
9/18/2025	157513	CHK	07150	CARR'S TREE SERVICE INC	TREE TRIMMING WEEK 08/11/25 STORM & 08/18/25	30,828.63
9/18/2025	157514	CHK	00978	CEDAR VALLEY SERVICES INC	Envelope Checking/Misc Postage	661.09
9/18/2025	157515	CHK	09072	CINTAS CORPORATION - GK	MAT RENTAL	210.27
9/18/2025	157516	CHK	00116	CROSSTOWN CARTAGE COMPANY OF OWATONNA IN	COURIER & DEPOSIT BOX BANKING	943.00
9/18/2025	157517	CHK	09391	DUNCAN WEINBERG GENZER PEMBROKE	Legal being split Hutchinson,New Ulm,Hib	3,610.50
9/18/2025	157518	CHK	09002	FLOWPOINT ENVIRONMENTAL SYSTEMS INC	Web Services for August 2025	105.81
9/18/2025	157519	CHK	01015	GROEBNER & ASSOCIATES INC	TC-20 TAPE 6" X 75' HOT	536.63
9/18/2025	157520	CHK	09394	HOUCK TRANSIT ADVERTISING	Transit Media Space - Tail Wrap, Super K	1,200.00
9/18/2025	157521	CHK	08850	KORN FERRY HAY GROUP INC	2025 Excutive Admin Assistant Prof Serv	912.00
9/18/2025	157522	CHK	01945	LOCAL UNION 949 IBEW	Local Union Dues	2,100.40
9/18/2025	157523	CHK	08450	MARCO TECHNOLOGIES LLC	Contract base rate & various fees	1,516.47
9/18/2025	157524	CHK	09285	METRONET	Fiber-Speed Internet, Advanced Services	178.44
9/18/2025	157525	CHK	09453	MIDWEST ELECTRIC TRANSFORMER SERVICE INC	VARIOUS PADMOUNTS 12470Y/7200-240/120 & POLEMOUNT 10KV	14,825.00
9/18/2025	157526	CHK	01064	MINNESOTA MUNICIPAL UTILITIES ASSOCIATION	Crisis leadership Jake P April M Luke V	795.00
9/18/2025	157527	CHK	09045	NATIONAL INFORMATION SOLUTIONS COOPERATI	August Print Services/Online Pmts/Software License	28,349.83
9/18/2025	157528	CHK	01477	NEW PRAGUE UTILITIES COMMSION	Mutual Aid 07/28/25	10,080.00
9/18/2025	157529	CHK	09390	NEXS SOFTWARE INC	Annual Subscription 10/22/25-10/21/26	1,260.00
9/18/2025	157530	CHK	00827	OFFICE OF MN.IT SERVICES	AUGUST WIDE AREA NETWORK SERVICES	1,157.00
9/18/2025	157531	CHK	09420	OWATONNA ACE HARDWARE	FASTENERS	2.03
9/18/2025	157532	CHK	00991	OWATONNA METAL RECYCLING INC	USED STEEL	709.65
9/18/2025	157533	CHK	00240	RENT N SAVE PORTABLE SERVICES	2025 AUGUST RESTROOM 3141 W BRIDGE ST & FARIBAULT SUB	235.12
9/18/2025	157534	CHK	09403	SIGN PRO OF OWATONNA	BORDER STATION GAS BLDGS,SECURITY CAMERA	464.76
9/18/2025	157535	CHK	03610	STARGAZER DESIGNS	Plant Outdoor containers for summer seas/Watering Indoor Plants	1,224.26
9/18/2025	157536	CHK	09412	STEVE JAMES EXCAVATING INC	DIRT 3 YARDS	96.19
9/18/2025	157537	CHK	05408	STEWART SANITATION	2025 AUGUST GARBAGE/CARDBOARD SERVICE	999.92
9/18/2025	157538	CHK	01067	SWAGELOK MINNESOTA	VALVE PLUG 1/4IN	973.22
9/18/2025	157539	CHK	09428	TRIMA INC	Preemployment Testing T Arndt	80.00
9/18/2025	157540	CHK	04308	UTILITY SAFETY & DESIGN INC	WELDER TRAINING/2025 AUGUST RETRAINER FEES	6,094.32
9/18/2025	157541	CHK	01188	WESCO DISTRIBUTION INC	ABB Accurange, CBT-S 300:5, Enclosure, Conduit, Arrester, Conn 2 Hole Rod	22,289.77
9/25/2025	157542	CHK	09278	ACCESS TONNA LOCK SERVICE	INSTALL NEW LOCK CYL&USCAN KNOW,REKEY	193.58
9/25/2025	157543	CHK	08806	AMARIL UNIFORM COMPANY #1	Shirts with logo, company logo, Tony H, Isaac, Mat M, Jaden, Gage	3,385.78
9/25/2025	157544	CHK	09093	BALLSTADT ENTERPRISES LLC	Lawn mowing, trimming, weed control	929.28
9/25/2025	157545	CHK	00964	BLOCK PLUMBING & HEATING	NEW METER 1027 10TH AVE NE	1,579.77
9/25/2025	157546	CHK	00965	BORDER STATES ELECTRIC SUPPLY	WARNING NOTICE KEEP OUT LABEL, P/N OPU-5X10.25-WNKO -LBL	967.07
9/25/2025	157547	CHK	00983	COLE'S ELECTRIC INC	REMOVE LM 125 W MILL ST, 610 LINCOLN	230.00
9/25/2025	157548	CHK	09482	DAVE BERG CONSULTING LLC	Electric Cost of Service Study4-09/23/25	8,000.00
9/25/2025	157549	CHK	01002	FASTENAL COMPANY	Locks for Bldg 4	671.00
9/25/2025	157550	CHK	09177	JUEL LEARNING INC	2025 JULY/AUG CONTRACTOR SAFETY ORIENTAT	156.00
9/25/2025	157551	CHK	01233	MADISON NATIONAL LIFE (LTD)	October LTD Premiums	2,737.70
9/25/2025	157552	CHK	9018	MADISON NATIONAL LIFE (STD)	October Premiums STD	2,116.37
9/25/2025	157553	CHK	08998	MARCO TECHNOLOGIES LLC-CONTRACT	Konica Copier September 2025	416.03
9/25/2025	157554	CHK	01378	MINNESOTA ELEVATOR INC	2025 SEPTEMBER YEARLY SERVICE	3,819.12
9/25/2025	157555	CHK	01064	MINNESOTA MUNICIPAL UTILITIES ASSOCIATION	Member and From peer to leader SB NK	530.00
9/25/2025	157556	CHK	01073	NAPA AUTO PARTS	#12 DEXCOOL RTU 1 GAL, GEAR WRENCH 77 PIECE, HEX SOCKET BIT	269.89
9/25/2025	157557	CHK	07963	SEYKORA ASPHALT MAINTENANCE & PAVING INC	CRACK SEAL COAT 1115 PARK DR	2,876.86
9/25/2025	157558	CHK	08687	SHRED RIGHT	Mobile Shred, Security Console	42.53
9/25/2025	157559	CHK	01122	SPECIALTY PERSONNEL SERVICES INC	GAGE MOTL WE 09/14/25, 09/21	4,078.40
9/25/2025	157560	CHK	09412	STEVE JAMES EXCAVATING INC	DIRT 3 YARDS	96.19

Owatonna Public Utilities

Date	#	Type	VENDOR	VENDOR NAME	REFERENCE	AMOUNT
9/25/2025	157561	CHK	03190	STUART C IRBY CO	SPLICE ACSR AUTO	1,206.32
9/25/2025	157562	CHK	01152	WENCL PLUMBING	WSLPP 335 16TH ST NE-BARB FITCHER	237.47
9/25/2025	157563	CHK	01188	WESCO DISTRIBUTION INC	AL PARAGRV CLAMP 1-2BOLT	1,231.20
9/25/2025	157564	CHK	00204	XCEL ENERGY	7702 SW 18TH ST ELE SER07/16/25-08/14/25	20.43
9/25/2025	157565	CHK	9997	KRISTI L ARCHAMBAULT	REBATE F	600.00
9/25/2025	157566	CHK	9997	GLEN P BECKMAN	REBATE F WIFI TH	1,050.00
9/25/2025	157567	CHK	9997	JAMES E BORGMAN	REBATE EAB	300.00
9/25/2025	157568	CHK	9997	KIM J COSENS	REBATE CW RF LEDDWN	560.00
9/25/2025	157569	CHK	9997	EMPEROR TWYST PROPERTIES	REBATE RF	25.00
9/25/2025	157570	CHK	9997	EMPEROR TWYST PROPERTIES	REBATE DW	25.00
9/25/2025	157571	CHK	9997	MIKE J FELTEN	REBATE F TLT WH SW CW RF LEDDWN	1,218.00
9/25/2025	157572	CHK	9997	DENA R KEILMAN	REBATE F WIFI TH	1,050.00
9/25/2025	157573	CHK	9997	DIANE H SCHIRMACHER	REBATE F	1,000.00
9/25/2025	157574	CHK	9997	MR KYLE J SCHWEISTHAL	REBATE EAB	300.00
9/25/2025	157575	CHK	9997	LAWRENCE B TINDALL	REBATE EAB	300.00
TOTAL CHECKS						\$695,924.25
9/2/2025	1852	WIRE	00081	SOUTHEAST SERVICE COOP (MEDICAL)	Medical Mgmt Premiums September	25,261.84
9/3/2025	1853	WIRE	09061	UNITED STATES TREASURY	FEDERAL WITHHOLDING TAXES	23,551.03
9/3/2025	1854	WIRE	09346	WEX HEALTH, INC	FSA REIMB LT 20.00	20.00
9/4/2025	1855	WIRE	09170	MINNESOTA DEPT OF REVENUE PAYROLL	MN WITHHOLDING TAX	3,946.22
9/8/2025	1856	WIRE	09170	MINNESOTA DEPT OF REVENUE PAYROLL	MN WITHHOLDING TAX	13,836.58
9/8/2025	1857	WIRE	09034	DEFERRED COMPENSATION	DEFERRED COMP CONTRIBUTION	7,015.00
9/8/2025	1858	WIRE	09346	WEX HEALTH, INC	EMPLOYER CONTRIBUTION HSA & VEB	2,937.60
9/5/2025	1859	WIRE	09061	UNITED STATES TREASURY	FEDERAL WITHHOLDING TAXES	73,651.38
9/5/2025	1860	WIRE	09168	PERA	PERA EMPLOYER CONTRIBUTIONS	39,934.33
9/8/2025	1861	WIRE	09414	BREMER BANK COMMERCIAL CREDIT CARD 6147	August Credit Card Stmt	30,718.74
9/9/2025	1862	WIRE	09346	WEX HEALTH, INC	Dependant Care MS 192.31	192.31
9/15/2025	1863	WIRE	09064	THE ENERGY AUTHORITY INC	NNG Transport Demand Fee August 2025	283,836.03
9/19/2025	1864	WIRE	09061	UNITED STATES TREASURY	FEDERAL WITHHOLDING TAXES	73,443.11
9/19/2025	1865	WIRE	09168	PERA	PERA EMPLOYER CONTRIBUTIONS	39,895.76
9/19/2025	1866	WIRE	09184	MINNESOTA UNEMPLOYMENT INSURANCE	J Haygood Unemployment	421.15
9/25/2025	1867	WIRE	01121	SOUTHERN MN MUNICIPAL POWER AGENCY	August Power Sales Contract	3,116,640.51
9/25/2025	1868	WIRE	09346	WEX HEALTH, INC	August Fees	156.75
9/19/2025	1869	WIRE	09346	WEX HEALTH, INC	FSA REIMB AM \$95.00 JW \$22.98	117.98
9/22/2025	1870	WIRE	09170	MINNESOTA DEPT OF REVENUE PAYROLL	MN WITHHOLDING TAX	13,914.92
9/22/2025	1871	WIRE	09034	DEFERRED COMPENSATION	DEFERRED COMP CONTRIBUTION	7,015.00
9/22/2025	1872	WIRE	09346	WEX HEALTH, INC	EMPLOYER CONTRIBUTION HSA & VEB	2,817.60
9/23/2025	1873	WIRE	09346	WEX HEALTH, INC	FSA CR RN 138.00	54.31
9/23/2025	1874	WIRE	09346	WEX HEALTH, INC	FSA REIMB Med LT 20.00	20.00
9/30/2025	1875	WIRE	09346	WEX HEALTH, INC	FSA REIMB SP \$53.85, LT 20.00, JW 7.40	81.25
9/17/2025	96753	ACH	1238	MN DEPT OF REVENUE	SALES TAXES	235,147.00
9/30/2025	97289	ACH	1084	CITY OF OWATONNA	SEWER PAYMENT - August 2025	590,000.00
9/18/2025	19686	EFT	00072	KLM ENGINEERING INC	#7 CONSTRUCTION MANAGEMENT & OBSERVATION	47,836.80
9/11/2025	19555	EFT	08463	COOPERATIVE RESPONSE CENTER INC	2025 AUGUST DISPATCH,CRCLINK,SCADA MONIT	4,669.99
9/4/2025	19552	EFT	01012	GOPHER STATE ONE-CALL INC	2025 AUGUST LOCATING SERVICE	599.40
9/11/2025	19556	EFT	01183	UNITED PARCEL SERVICE INC	Alternative Technologies Caden S	405.69
9/18/2025	19687	EFT	00379	POWER MONITORS INC	CELL BOLT KIT WIHT DOLPHIN CLIPS	6,338.93
9/4/2025	19554	EFT	09466	TRC ENGINEERS INC	Cloud SaaS and Support Services	1,901.00
9/18/2025	19684	EFT	04920	BLACK FOREST LTD	Dual-Turf Hitting Mat, 5 Years of Servic	47.76
9/4/2025	19553	EFT	01169	HAWKINS INC	HYDROFLUOSILICIC ACID, CHLORINE, LPC 5	6,451.66
9/18/2025	19685	EFT	01169	HAWKINS INC	HYDROFLUOSILICIC ACID, CHLORINE, LPC 5	3,807.45
9/25/2025	19689	EFT	09249	METROPOLITAN MECHANICAL CONTRACTORS	Investigate Liebert HPS fault	365.00
9/4/2025	19551	EFT	09447	APOGEE INTERACTIVE INC	LP Daily Service	455.00
9/25/2025	19690	EFT	09199	REAGAN OUTDOOR ADVERTISING OF ROCHESTER	Online Advertising	1,032.00
9/5/2025	19525	EFT	09481	SHARON E MCLANE	Reimburse Expenses MMUA Summer Conf	276.05
9/25/2025	19688	EFT	04920	BLACK FOREST LTD	Stainless Steel Slow Cooker Mat M Anniv	37.36
TOTAL ELECTRONIC PAYMENTS						\$4,584,626.40
9/5/2025	Various	DD	Various	60 Employees @ 23.08 each	Cell Phone Stipends	1,384.80
9/19/2025	Various	DD	Various	60 Employees @ 23.08 each	Cell Phone Stipends	1,384.80
9/5/2025	19548	DD	00502	Roger Warehime	Reimbursement Mileage to/from airport	86.80
9/5/2025	19543	DD	09452	Nick Sorenson	Reimbursement Mileage Duluth UMMA Conf	294.00
9/5/2025	19550	DD	00316	Bev Zeimke	Reimburse Lunch Short Staff Personal CC	23.56
9/5/2025	19501	DD	01950	Brian Clausen	Reimbursement Mileage Duluth UMMA Conf	303.80
9/19/2025	19609	DD	09452	Nick Sorenson	Reimburse Flights on Personal Card	469.97
9/19/2025	19594	DD	09471	Michael Merry	Reimbursement Mileage to/from Airport	168.00
TOTAL EMPLOYEE REIMBURSEMENTS						\$4,115.73
TOTAL CHECKS						\$695,924.25
TOTAL EMPLOYEE REIMBURSEMENTS						\$4,115.73
TOTAL WIRE PAYMENTS						\$3,759,479.40
TOTAL EFT PAYMENTS						\$74,224.09

Owatonna Public Utilities

Date	#	Type	VENDOR	VENDOR NAME	REFERENCE	AMOUNT
					Check Register Subtotal	<u>\$4,533,743.47</u>
					TOTAL ACH PAYMENTS	<u>\$825,147.00</u>
					Payments Subtotal	<u>\$5,358,890.47</u>
					REBATES APPLIED TO CUSTOMER ACCOUNTS	\$6,185.03
					PAYROLL ACH - 9/05/2025	\$178,226.16
					PAYROLL ACH - 9/19/2025	\$178,128.13
					Special Check	\$40,472.42
					TOTAL PAYMENTS	<u>\$5,761,902.21</u>
					Checks/Wires Voided this month - 0	\$0.00

Electric Monthly Financial Scorecard

September 2025

	Actual	Plan	Vs. Plan	
Commodity Sold (MWh)	30,118	33,386	(3,269)	-9.8%
Commodity Revenue (000)	\$3,563	\$3,970	-\$407	-10.3%
Commodity Expense (000)	\$2,807	\$2,875	-\$68	-2.4%
Gross Margin (000)	\$755	\$1,094	(\$339)	-31.0%
Other Revenue (000)	\$131	\$137	-\$6	-4.3%
Other Expense (000)	\$793	\$920	-\$126	-13.7%
Net Income (000)	\$93	\$312	(\$218)	-70.1%
NI as a % of Comm Rev	2.6%	7.9%		-5.2%

Key Drivers

Commodity Revenue:

\$10K - Residential sales above plan
 \$27K - Commercial sales above plan
 \$371K - Industrial sales below plan
 \$12K - City sales above plan
 \$82K - EAA adjustment below plan

Note: Unbilled revenue

Accrual (U) (\$6U) - below plan
 Reversal (U) (\$159U) - above plan
Total (U) (\$164K) - below plan

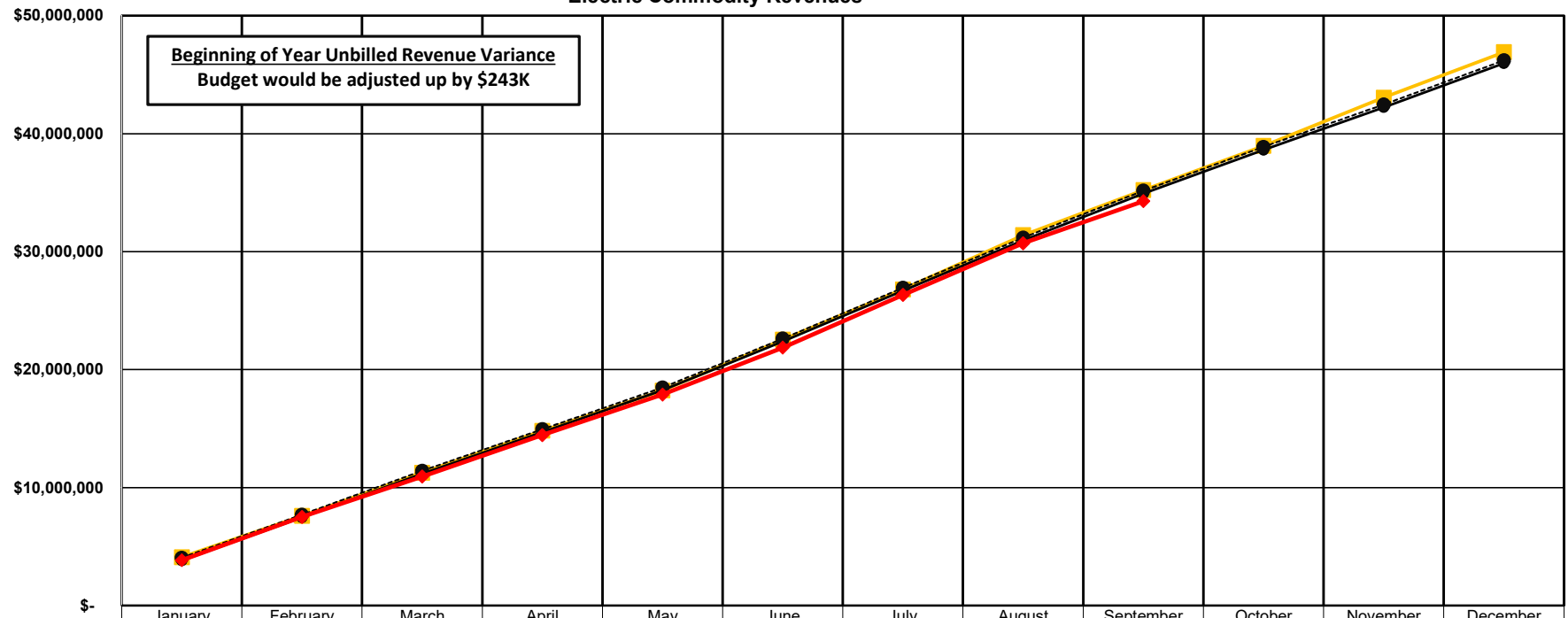
Other Revenue:

\$20K - SMMPA Rebate reimbursement below plan
 \$11K - Misc. Sales & Credits above plan
 \$4K - Interest income above plan

Other Expense:

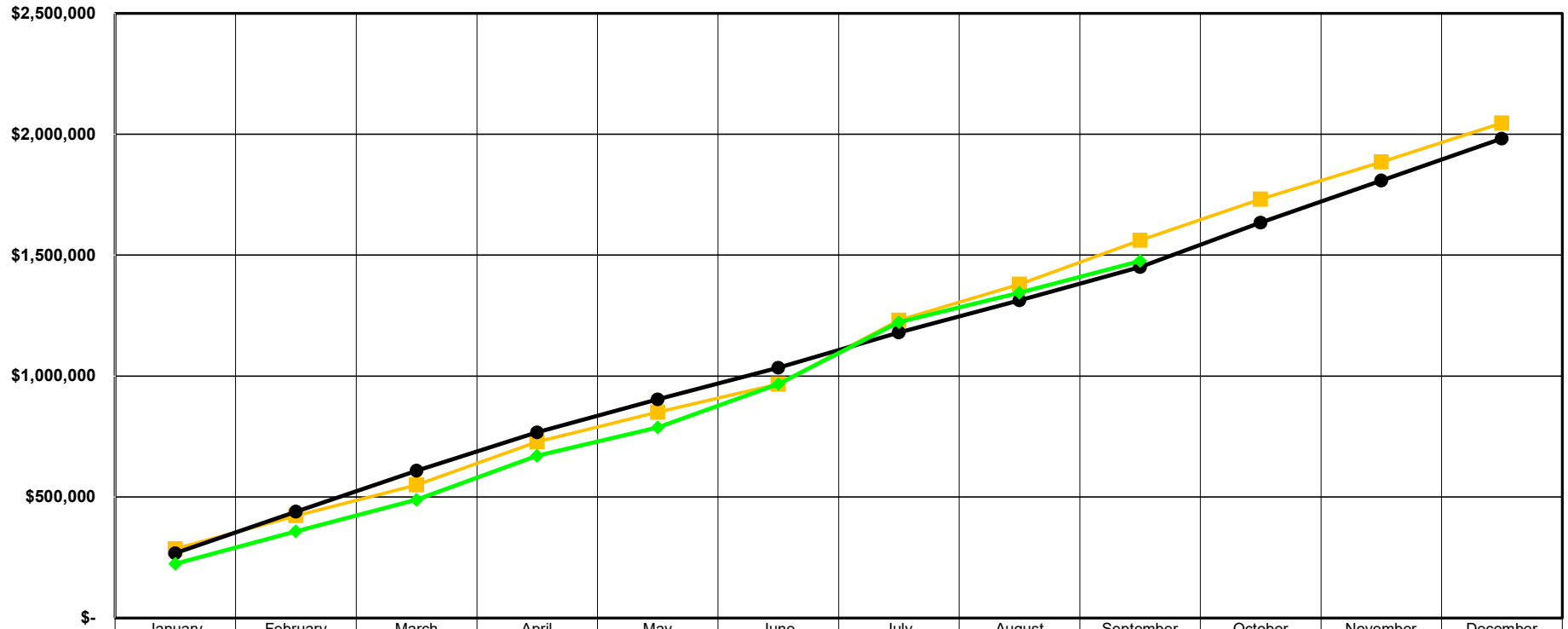
\$41K - Tree Trimming expenses below plan
 \$33K - Labor/Benefits below plan
 \$29K - Contributed Services expense below plan
 \$26K - Storm outage expense above plan
 \$24K - Rebate expense below plan
 \$12K - Depreciation expense below plan

Electric Commodity Revenues



	January	February	March	April	May	June	July	August	September	October	November	December
2024	\$4,105,013	\$7,608,668	\$11,269,005	\$14,823,881	\$18,236,772	\$22,539,185	\$26,789,848	\$31,383,576	\$35,216,253	\$38,956,548	\$43,048,639	\$46,895,049
Budget	\$3,819,070	\$7,465,239	\$11,182,294	\$14,701,954	\$18,247,158	\$22,385,682	\$26,685,212	\$30,944,630	\$34,914,391	\$38,628,344	\$42,221,320	\$45,959,546
Budget (Adjusted)	\$4,062,442	\$7,708,611	\$11,425,666	\$14,945,326	\$18,490,530	\$22,629,054	\$26,928,584	\$31,188,002	\$35,157,763	\$38,871,716	\$42,464,692	\$46,202,918
Actual	\$3,848,234	\$7,521,188	\$10,936,020	\$14,452,045	\$17,887,675	\$21,864,755	\$26,327,287	\$30,713,228	\$34,275,946			
Var to Budget	\$29,164	\$55,949	(246,274)	(249,909)	(359,483)	(520,927)	(357,925)	(231,402)	(638,445)	-	-	-
Var to Budget (Adj.)	(\$214,208)	(\$187,424)	(489,646)	(493,281)	(602,855)	(764,299)	(601,297)	(474,774)	(881,817)	-	-	-

Electric Other Revenues



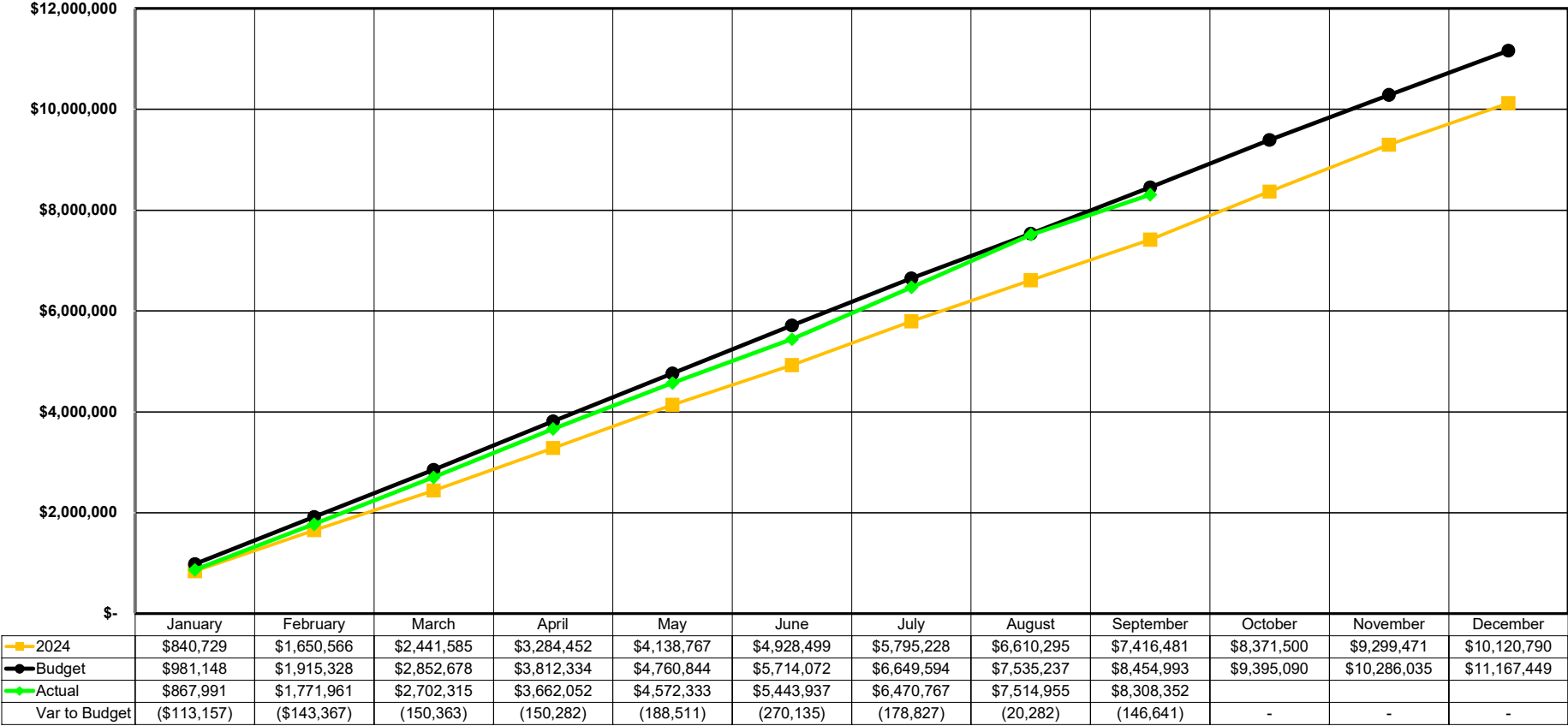
2024	January	February	March	April	May	June	July	August	September	October	November	December
Budget	\$285,810	\$422,812	\$550,364	\$728,106	\$850,789	\$966,987	\$1,231,076	\$1,380,099	\$1,561,588	\$1,732,032	\$1,885,651	\$2,046,707
Actual	\$267,960	\$439,495	\$608,855	\$767,628	\$904,111	\$1,034,700	\$1,180,729	\$1,313,621	\$1,450,761	\$1,634,316	\$1,808,805	\$1,982,347
Var to Budget	\$224,287	\$358,753	\$488,473	\$670,309	\$788,130	\$966,541	\$1,223,387	\$1,344,936	\$1,476,227			
	(\$43,673)	(\$80,742)	(120,382)	(97,319)	(115,981)	(68,159)	42,658	31,315	25,466	-	-	-

Electric Variable Costs (Purchased Power)

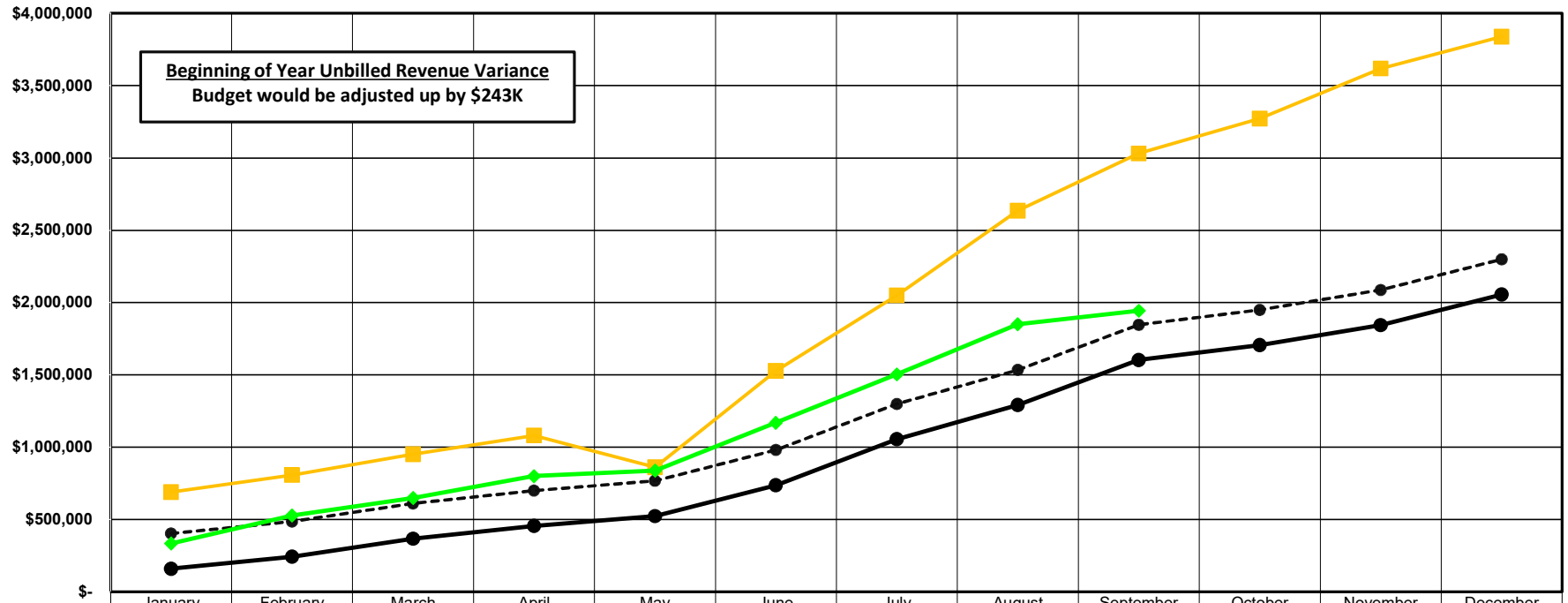


2024	January	February	March	April	May	June	July	August	September	October	November	December
Budget	\$2,946,125	\$5,746,178	\$8,570,683	\$11,200,616	\$13,866,154	\$16,968,505	\$20,160,756	\$23,431,569	\$26,306,979	\$29,161,607	\$31,899,848	\$34,718,603
Actual	\$2,870,422	\$5,580,082	\$8,073,712	\$10,659,858	\$13,263,967	\$16,217,450	\$19,576,086	\$22,692,727	\$25,500,051	-	-	-
Var to Budget	(\$75,703)	(\$166,096)	(496,971)	(540,758)	(602,187)	(751,055)	(584,670)	(738,842)	(806,928)	-	-	-

Electric Fixed Costs



Electric Net Income



	January	February	March	April	May	June	July	August	September	October	November	December
2024	\$690,160	\$807,812	\$951,087	\$1,081,174	\$862,264	\$1,528,392	\$2,049,939	\$2,635,245	\$3,030,628	\$3,272,453	\$3,618,825	\$3,839,360
Budget	\$159,757	\$243,228	\$367,788	\$456,632	\$524,271	\$737,805	\$1,055,591	\$1,291,445	\$1,603,180	\$1,705,963	\$1,844,242	\$2,055,841
Budget (Adjusted)	\$403,129	\$486,600	\$611,160	\$700,004	\$767,643	\$981,177	\$1,298,963	\$1,534,817	\$1,846,552	\$1,949,335	\$2,087,614	\$2,299,213
Actual	\$334,108	\$527,898	\$648,467	\$800,444	\$839,506	\$1,169,910	\$1,503,822	\$1,850,482	\$1,943,770			
Var to Budget	\$174,351	\$284,670	280,679	343,812	315,235	432,105	448,231	559,037	340,590	-	-	-
Var. to Bud. (Adj.)	(\$69,021)	\$41,298	37,307	100,440	71,863	188,733	204,859	315,665	97,218	-	-	-

Water Monthly Financial Scorecard

September 2025

	Actual	Plan	Vs. Plan	
Commodity Sold (CCF)	147,998	190,712	(42,714)	-22.4%
Commodity Revenue (000)	\$496	\$573	-\$77	-13.5%
Commodity Expense (000)	\$0	\$0	\$0	0.0%
Gross Margin (000)	\$496	\$573	(\$77)	-13.5%
Other Revenue (000)	\$49	\$46	\$3	6.9%
Other Expense (000)	\$380	\$415	-\$35	-8.5%
Net Income (000)	\$165	\$204	(\$39)	-19.0%
NI as a % of Comm Rev	33.3%	35.6%		-2.3%

Key Drivers

Commodity Revenue:

\$20K - Residential sales below plan
 \$5K - Commercial sales below plan
 \$46K - Industrial sales below plan
 \$7K - City sales below plan

Note: Unbilled revenue

Accrual (U) \$3K above plan
 Reversal (U) (\$18K) above plan
Total (U) (\$14K) below plan

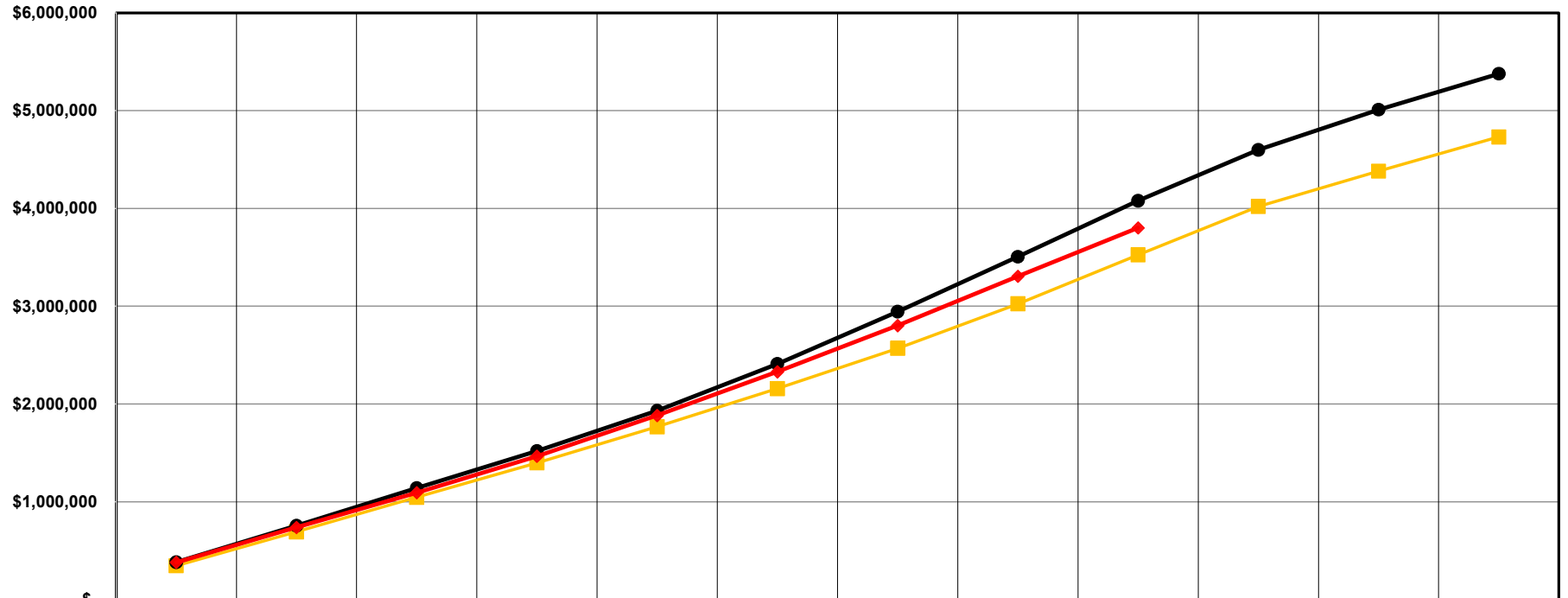
Other Revenue:

\$7K - Interest income above plan
 \$4K - Water Access charges below plan

Other Expense:

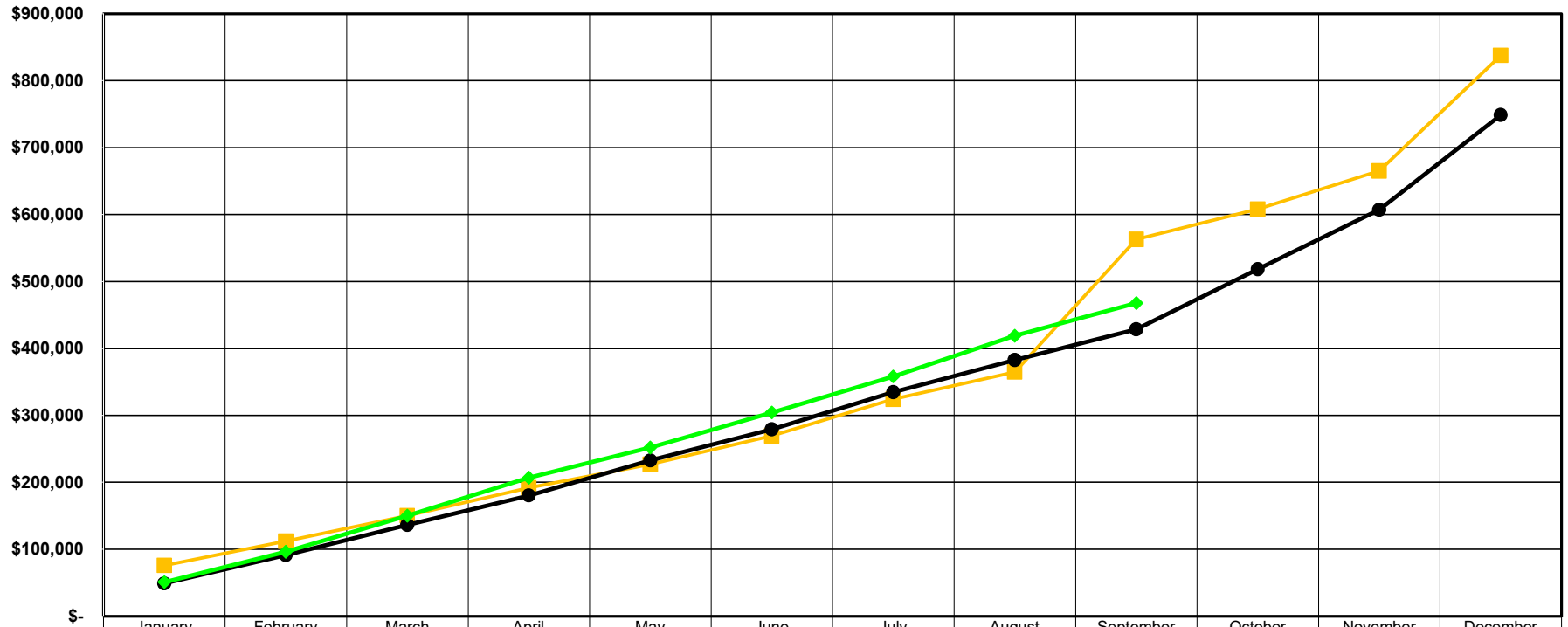
\$15K - Contributed Services below plan
 \$10K - Admin & General expense below plan
 \$8K - Production expenses below plan
 \$7K - Distribution expenses below plan
 \$7K - Labor/Benefits above plan

Water Commodity Revenues



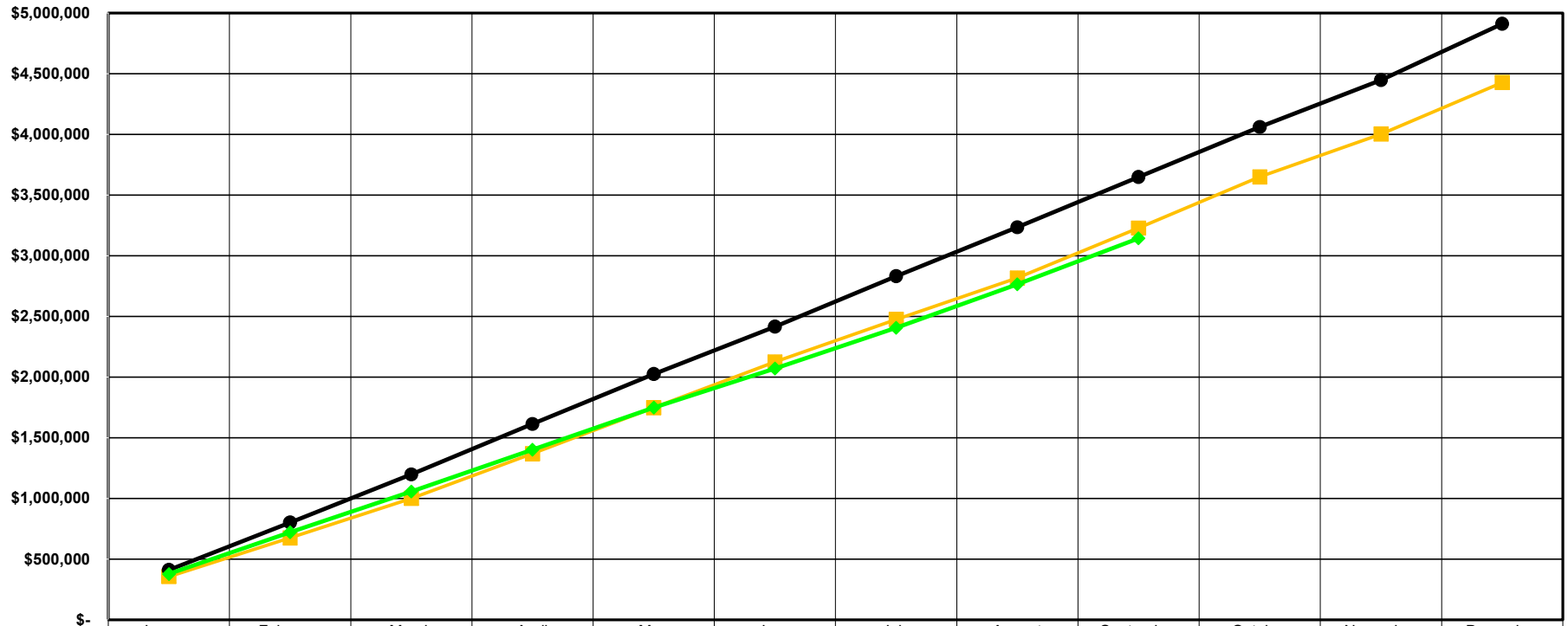
	January	February	March	April	May	June	July	August	September	October	November	December
2024	\$345,805	\$692,663	\$1,046,592	\$1,397,273	\$1,766,465	\$2,157,800	\$2,568,623	\$3,024,418	\$3,524,590	\$4,019,551	\$4,380,973	\$4,731,226
Budget	\$381,688	\$754,862	\$1,140,136	\$1,520,566	\$1,930,455	\$2,410,863	\$2,944,540	\$3,505,706	\$4,078,399	\$4,597,895	\$5,010,049	\$5,377,497
Actual	\$380,301	\$737,643	\$1,092,736	\$1,465,068	\$1,882,819	\$2,328,815	\$2,801,766	\$3,305,300	\$3,800,915			
Var to Budget	(\$1,387)	(\$17,219)	\$(47,400)	\$(55,498)	\$(47,636)	\$(82,048)	\$(142,774)	\$(200,406)	\$(277,484)	\$-	\$-	\$-

Water Other Revenues



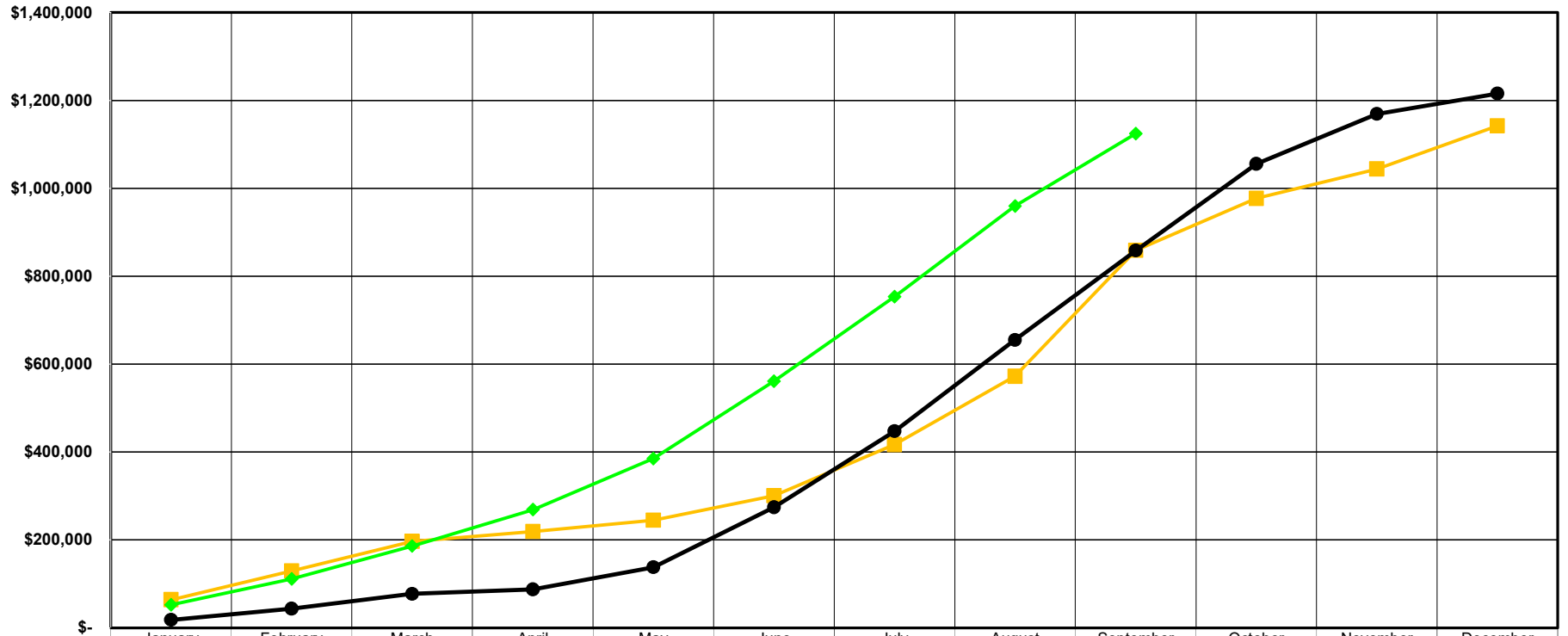
	January	February	March	April	May	June	July	August	September	October	November	December
2024	\$75,778	\$112,169	\$150,085	\$191,755	\$227,027	\$269,458	\$324,046	\$364,801	\$562,891	\$607,981	\$665,306	\$837,876
Budget	\$48,964	\$91,362	\$136,279	\$180,262	\$232,671	\$279,368	\$334,563	\$382,889	\$428,652	\$518,564	\$607,196	\$748,960
Actual	\$50,952	\$96,258	\$150,089	\$206,852	\$251,759	\$304,306	\$358,338	\$418,945	\$467,867			
Var to Budget	\$1,988	\$4,896	\$13,810	\$26,590	\$19,088	\$24,938	\$23,775	\$36,056	\$39,215	\$-	\$-	\$-

Water Fixed Costs



2024	January	February	March	April	May	June	July	August	September	October	November	December
	\$357,710	\$675,663	\$1,000,423	\$1,369,902	\$1,748,767	\$2,126,524	\$2,476,031	\$2,817,284	\$3,228,643	\$3,650,584	\$4,002,657	\$4,427,018
Budget	\$412,632	\$802,900	\$1,199,165	\$1,613,614	\$2,025,405	\$2,416,201	\$2,831,879	\$3,233,683	\$3,648,519	\$4,061,186	\$4,448,002	\$4,911,079
Actual	\$379,136	\$722,883	\$1,057,042	\$1,403,359	\$1,749,916	\$2,072,037	\$2,406,440	\$2,764,957	\$3,144,536			
Var to Budget	(\$33,496)	(\$80,017)	\$(142,123)	\$(210,255)	\$(275,489)	\$(344,164)	\$(425,439)	\$(468,726)	\$(503,983)	\$-	\$-	\$-

Water Net Income



2024	January	February	March	April	May	June	July	August	September	October	November	December
	\$63,873	\$129,170	\$196,254	\$219,126	\$244,724	\$300,734	\$416,638	\$571,935	\$858,838	\$976,948	\$1,043,622	\$1,142,084
Budget	January	February	March	April	May	June	July	August	September	October	November	December
	\$18,020	\$43,324	\$77,250	\$87,214	\$137,721	\$274,030	\$447,224	\$654,912	\$858,532	\$1,055,273	\$1,169,243	\$1,215,378
Actual	January	February	March	April	May	June	July	August	September	October	November	December
	\$52,117	\$111,018	\$185,783	\$268,561	\$384,662	\$561,084	\$753,664	\$959,288	\$1,124,246			
Var to Budget	January	February	March	April	May	June	July	August	September	October	November	December
	\$34,097	\$67,694	\$108,533	\$181,347	\$246,941	\$287,054	\$306,440	\$304,376	\$265,714	\$-	\$-	\$-

Gas Monthly Financial Scorecard

September 2025

	Actual	Plan	Vs. Plan	
Commodity Sold (CCF)	510,323	599,442	(89,119)	-14.9%
Commodity Revenue (000)	\$533	\$605	-\$72	-11.9%
Commodity Expense (000)	\$279	\$306	-\$27	-8.8%
Gross Margin (000)	\$254	\$299	(\$45)	-15.0%
Other Revenue (000)	\$69	\$83	-\$14	-17.4%
Other Expense (000)	\$472	\$487	-\$15	-3.2%
Net Income (000)	-\$149	-\$105	(\$44)	-42.0%
NI as a % of Comm Rev	-28.0%	-17.4%		-10.6%

Key Drivers

Commodity Revenue:

\$5K - Residential sales above plan
 \$2K - Commercial sales above plan
 \$84K - Industrial sales below plan
 \$5K - City sales above plan
 PGA/Gas true-up revenue flat to plan

Note: Unbilled revenue

Accrual (U) (\$29K) below plan
 Reversal (U) (\$174K) above plan
Total (U) (\$206K) below plan

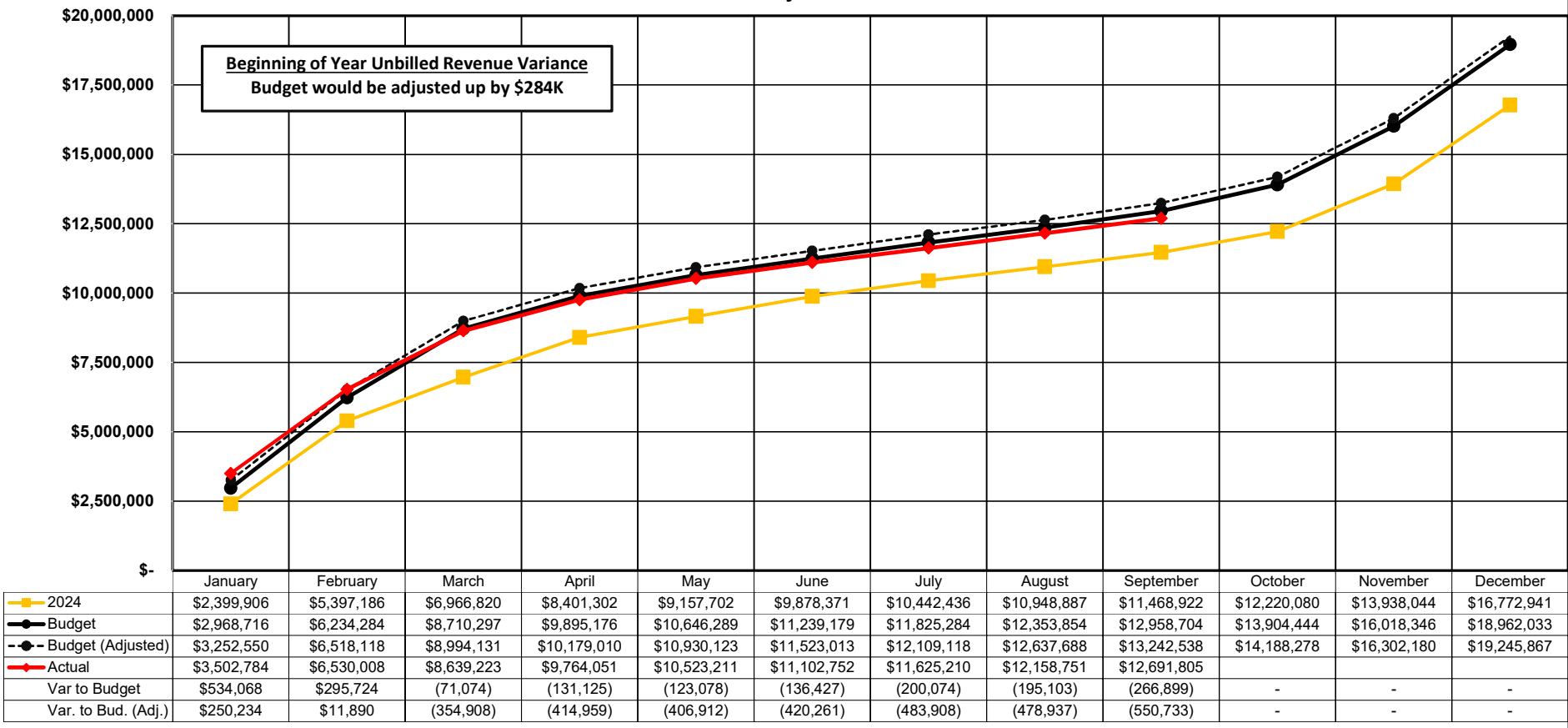
Other Revenue:

\$18K - Trans Tariff revenue below plan
 \$4K - Interest income above plan

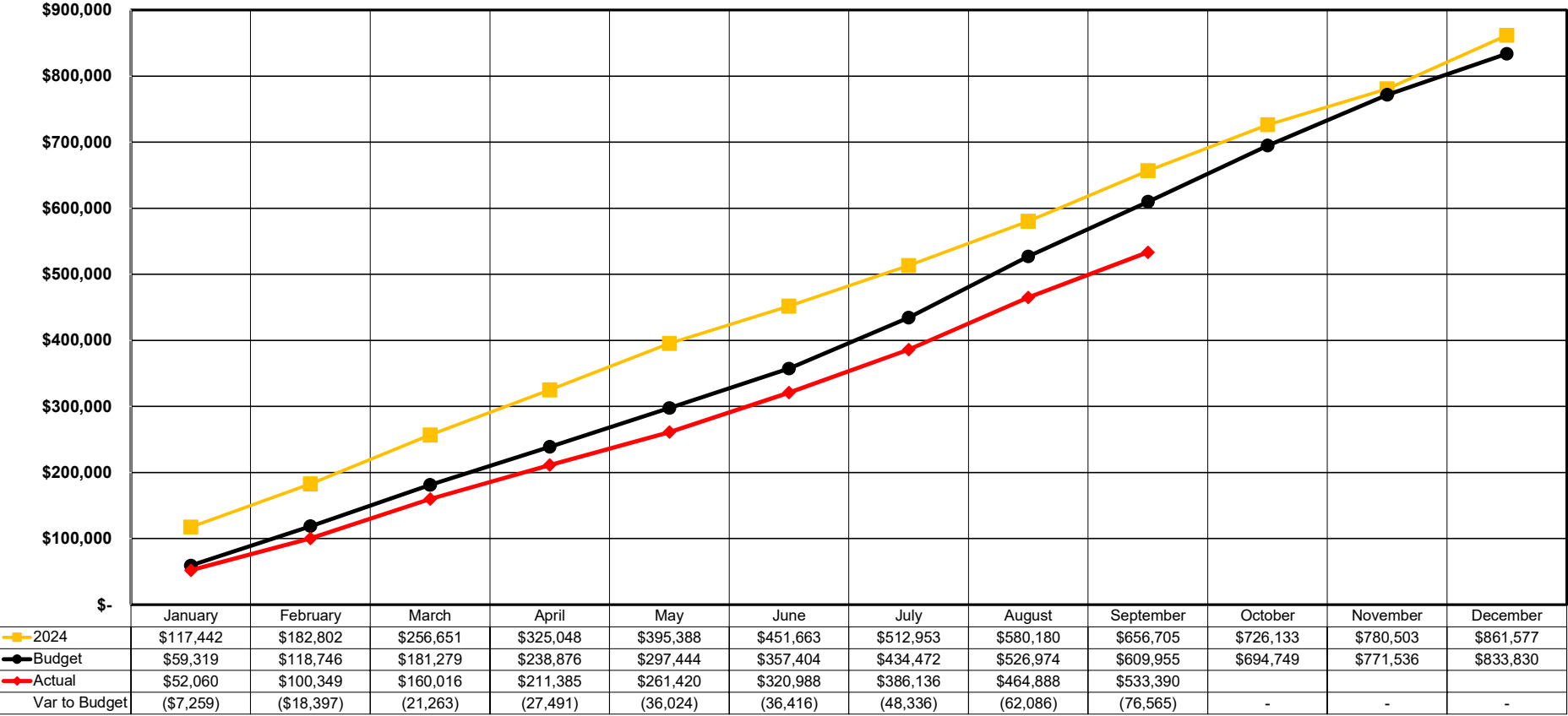
Other Expense:

\$7K - Depreciation expense below plan
 \$6K - Admin & General expenses below plan
 \$6K - Distribution expenses below plan
 \$6K - Labor/Benefits above plan

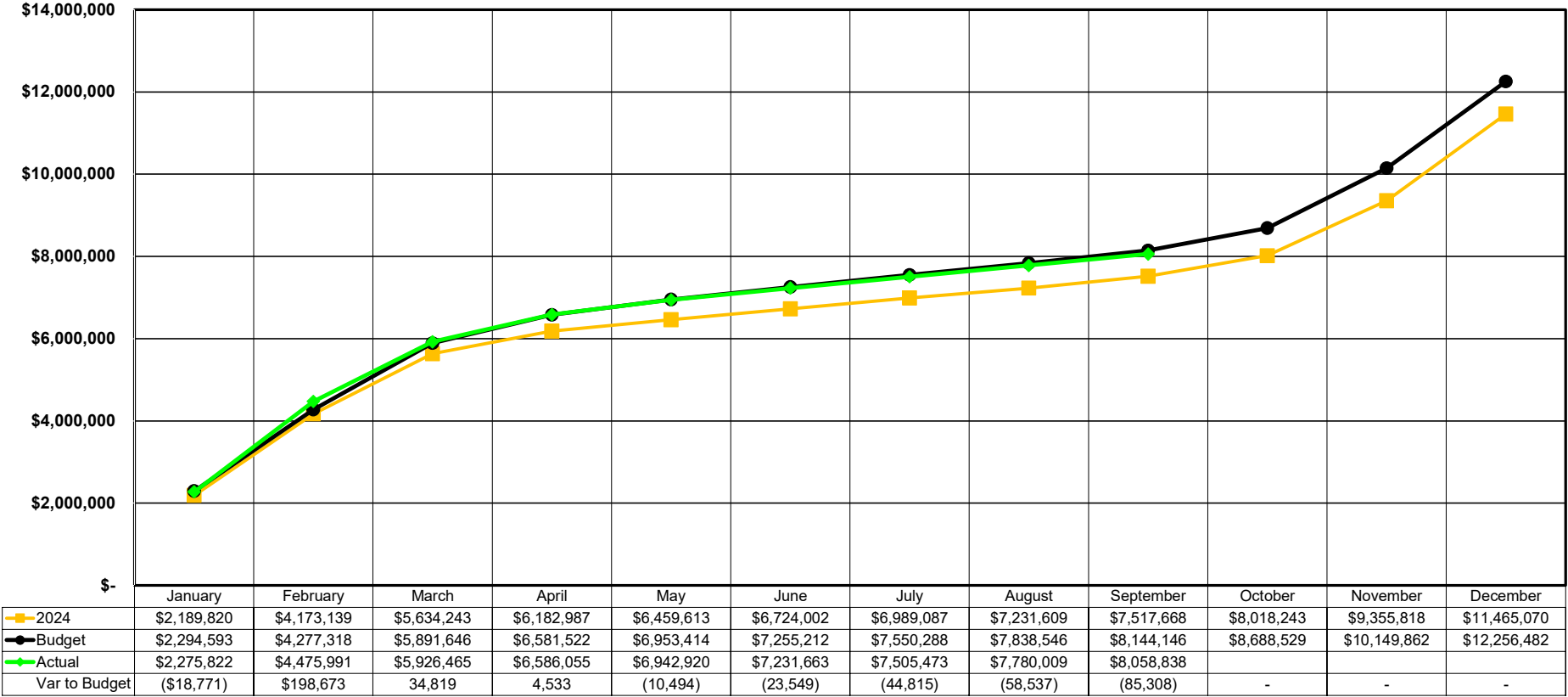
Gas Commodity Revenues



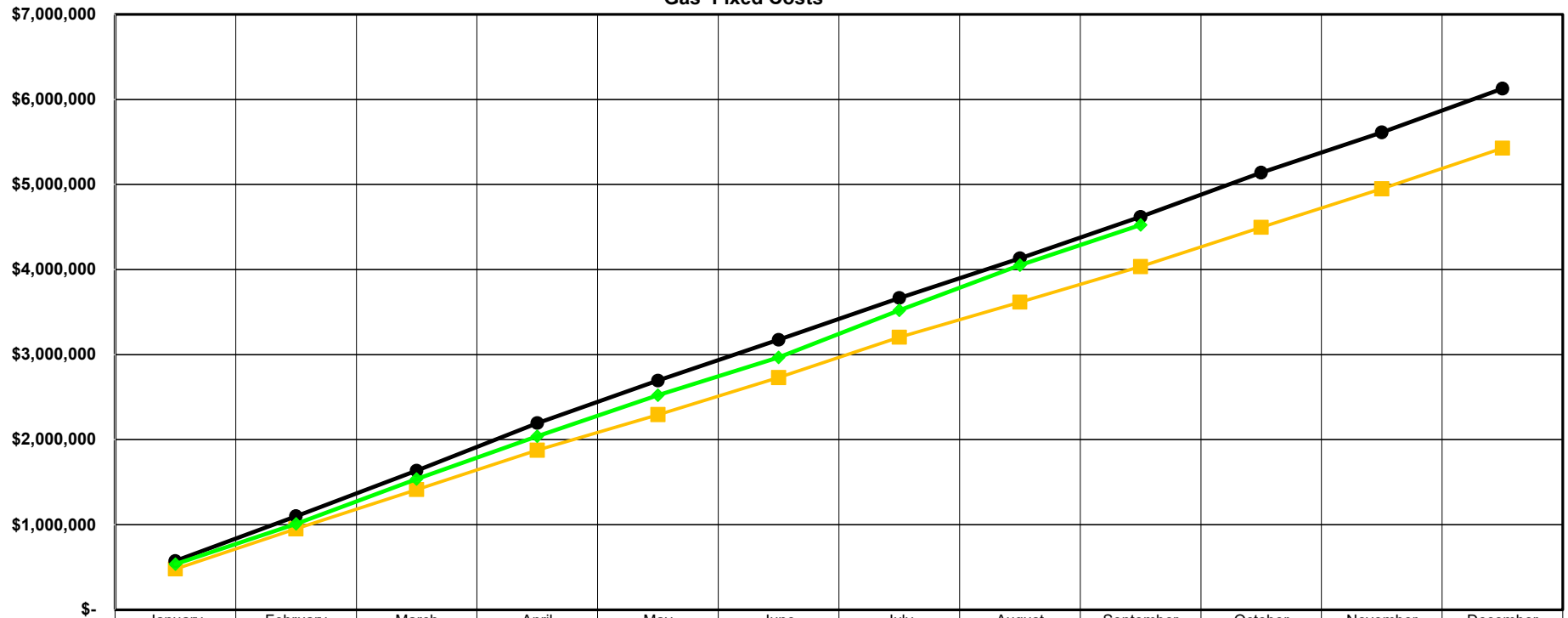
Gas Other Revenues



Gas Variable Costs (Purchased Gas)

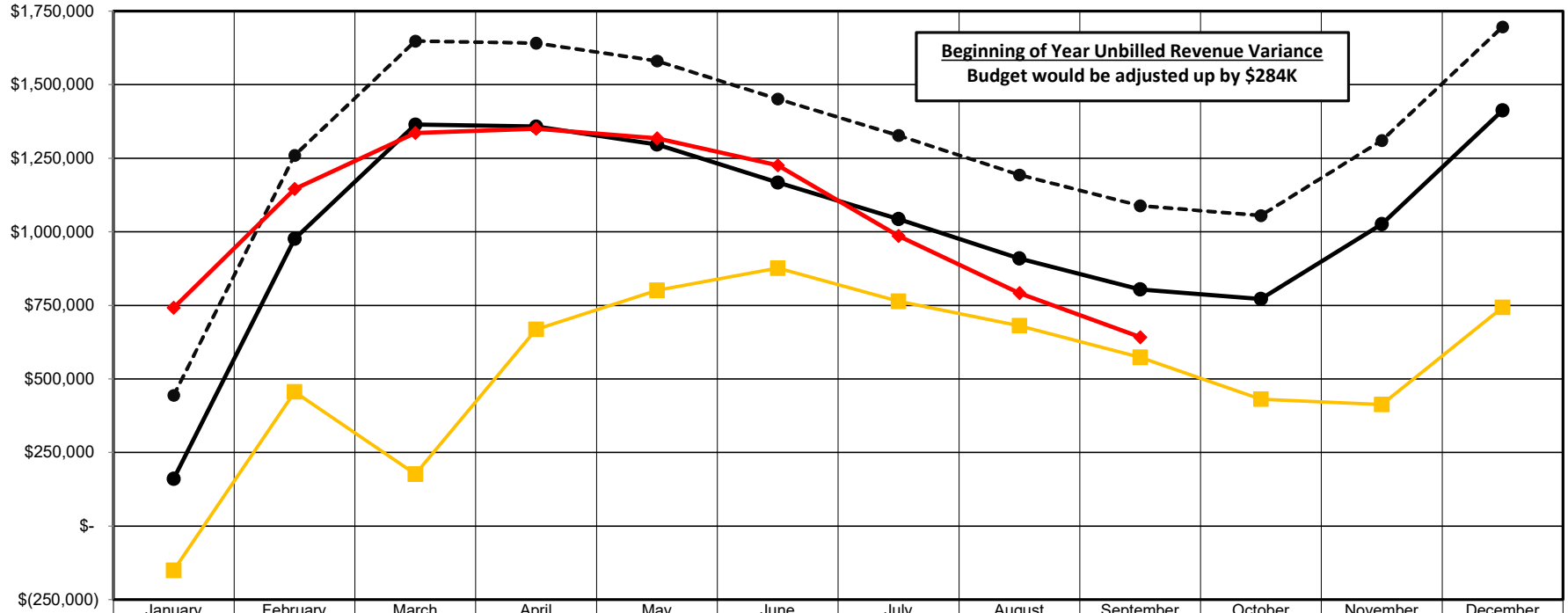


Gas Fixed Costs



2024	January	February	March	April	May	June	July	August	September	October	November	December
Budget	\$478,148	\$950,607	\$1,412,881	\$1,874,552	\$2,292,752	\$2,729,586	\$3,202,986	\$3,616,135	\$4,034,553	\$4,496,301	\$4,949,533	\$5,426,075
Actual	\$572,860	\$1,099,361	\$1,635,704	\$2,194,942	\$2,693,412	\$3,173,672	\$3,666,025	\$4,132,704	\$4,619,989	\$5,138,964	\$5,613,634	\$6,126,550
Var to Budget	\$537,124	\$1,008,147	\$1,537,056	\$2,038,771	\$2,524,191	\$2,966,515	\$3,519,697	\$4,052,247	\$4,524,106	-	-	-

Gas Net Income



Beginning of Year Unbilled Revenue Variance
Budget would be adjusted up by \$284K

2024	January	February	March	April	May	June	July	August	September	October	November	December
	\$(150,620)	\$456,242	\$176,347	\$668,811	\$800,725	\$876,446	\$763,316	\$681,323	\$573,406	\$431,669	\$413,196	\$743,373
Budget	\$160,582	\$976,351	\$1,364,226	\$1,357,588	\$1,296,907	\$1,167,699	\$1,043,443	\$909,578	\$804,524	\$771,700	\$1,026,386	\$1,412,831
Budget (Adjusted)	\$444,416	\$1,260,185	\$1,648,060	\$1,641,422	\$1,580,741	\$1,451,533	\$1,327,277	\$1,193,412	\$1,088,358	\$1,055,534	\$1,310,220	\$1,696,665
Actual	\$741,898	\$1,146,219	\$1,335,718	\$1,350,610	\$1,317,520	\$1,225,562	\$986,176	\$791,383	\$642,251			
Var to Budget	\$581,316	\$169,868	(28,508)	(6,978)	20,613	57,863	(57,267)	(118,195)	(162,273)	-	-	-
Var. to Bud. (Adj.)	\$297,482	(\$113,966)	(312,342)	(290,812)	(263,221)	(225,971)	(341,101)	(402,029)	(446,107)	-	-	-



Balance Sheet

Consolidated
September 2025

Assets	Current Year	Prior Year	Prior Month	Change From Prior Month
Current Assets				
Cash on Hand	2,400.00	2,400.00	2,400.00	-
Cash in Bank	(395,980.91)	(272,737.45)	(1,005,644.87)	609,663.96
Bremer Money Market	12,162,311.20	12,929,045.77	12,437,992.40	(275,681.20)
Raymond James Money Market	11,137.47	25,552.04	7,564.65	3,572.82
UBS Money Market	4,495.69	4,520.53	4,495.56	0.13
Other Accounts	-	9,326.03	-	-
Total Cash	11,784,363.45	12,698,106.92	11,446,807.74	337,555.71
Investments				
Investments	17,668,932.72	16,553,366.72	17,661,298.72	7,634.00
PDO Reserve Fund	1,664,000.00	1,534,000.00	1,672,000.00	(8,000.00)
Expansion Reserve Fund	586,067.28	506,633.28	585,701.28	366.00
Land Held for Investment	660,266.23	660,266.23	660,266.23	-
Total Investments	20,579,266.23	19,254,266.23	20,579,266.23	-
Accounts Receivable				
Customers	5,051,767.96	4,788,681.57	5,184,054.17	(132,286.21)
City of Owatonna	607,769.41	571,812.33	614,012.74	(6,243.33)
Other Receivables	233,457.58	302,001.62	203,500.20	29,957.38
Miscellaneous Invoices	119,800.70	241,619.75	148,064.35	(28,263.65)
Lease Receivable	2,923,876.00	2,479,106.00	2,923,876.00	-
Interest Receivable	1,202,226.10	724,051.46	1,140,401.20	61,824.90
Allowance for Doubtful Accounts	(131,774.38)	(105,939.87)	(131,390.89)	(383.49)
Net Receivables	10,007,123.37	9,001,332.86	10,082,517.77	(75,394.40)
Other Assets				
Inventory				
Major Material	2,057,494.63	1,945,608.54	2,170,270.47	(112,775.84)
Minor Material	64,800.75	53,640.60	64,800.75	-
Revenue Earned Not Billed	1,114,257.06	1,148,849.57	1,640,331.58	(526,074.52)
Unbilled Commodity Cost Adjustment	-	-	-	-
Prepaid Expenses	612,606.81	384,104.03	692,366.22	(79,759.41)
Deferred Charges	195,781.92	152,136.85	195,075.92	706.00
Deferred Outflows - Pension/OPEB	614,652.00	1,233,003.00	614,652.00	-
Total Other Assets	4,659,593.17	4,917,342.59	5,377,496.94	(717,903.77)
Total Current Assets	47,030,346.22	45,871,048.60	47,486,088.68	(455,742.46)
Fixed Assets				
Construction Work in Progress	4,797,722.12	6,331,975.53	4,771,202.57	26,519.55
Utility Plant in Service	150,826,959.86	143,299,204.52	150,502,909.11	324,050.75
Accumulated Depreciation	(62,801,973.00)	(60,314,307.60)	(62,533,268.58)	(268,704.42)
Net Fixed Assets	92,822,708.98	89,316,872.45	92,740,843.10	81,865.88
Total Assets	139,853,055.20	135,187,921.05	140,226,931.78	(373,876.58)



Balance Sheet

Consolidated
September 2025

Liabilities and Equity	Current Year	Prior Year	Prior Month	Change From Prior Month
Current Liabilities				
Current Payables				
Accounts Payable	3,938,801.58	4,268,568.61	4,395,251.72	(456,450.14)
Payable to City of Owatonna	646,175.13	638,458.95	629,056.37	17,118.76
Customer Deposit Interest	2,904.29	3,436.37	2,789.63	114.66
Taxes Payable	211,645.06	222,023.16	235,148.32	(23,503.26)
Customer Deposits	142,160.00	152,510.00	142,770.00	(610.00)
Total Current Payables	4,941,686.06	5,284,997.09	5,405,016.04	(463,329.98)
Other Current Liabilities				
Accrued Payroll Expenses	401,522.86	350,486.97	401,647.28	(124.42)
Deferred Credits	230,944.32	233,871.52	241,894.71	(10,950.39)
Deferred Inflows - Pension/OPEB	2,024,515.00	1,545,341.00	2,024,515.00	-
Deferred Inflows - Leases	2,827,312.00	2,407,256.00	2,827,312.00	-
Insurance Reserve	(1,495.67)	1,532.98	1,122.72	(2,618.39)
Paid Days Off Bank	1,662,198.25	1,532,338.05	1,670,374.31	(8,176.06)
Comp Time Bank	11,798.53	13,567.34	9,590.55	2,207.98
Total Other Current Liabilities	7,156,795.29	6,084,393.86	7,176,456.57	(19,661.28)
Total Current Liabilities	12,098,481.35	11,369,390.95	12,581,472.61	(482,991.26)
Long Term Liabilities				
OPEB Payable	152,110.00	152,962.00	152,110.00	-
Net Pension Liability	2,843,363.00	4,356,081.00	2,843,363.00	-
Total Long Term Liabilities	2,995,473.00	4,509,043.00	2,995,473.00	-
Equity				
Net Income	3,710,267.91	4,462,871.79	3,601,153.23	109,114.68
Retained Earnings	121,048,832.94	114,846,615.31	121,048,832.94	-
Total Equity	124,759,100.85	119,309,487.10	124,649,986.17	109,114.68
Total Liabilities and Equity	139,853,055.20	135,187,921.05	140,226,931.78	(373,876.58)



Income Statement

Electric Utility
September 2025

	This Month	Prior Year	Current YTD	Prior YTD	Budget YTD	YTD Budget Difference \$	YTD Budget Difference %
Commodity Revenue							
Residential	1,104,643	1,096,092	10,208,408	9,775,692	9,897,025	311,383	3.15%
Commercial	615,102	614,644	5,572,439	5,459,733	5,348,212	224,227	4.19%
Industrial & Large Commercial	1,680,956	1,856,624	16,592,804	17,546,279	18,263,219	(1,670,415)	-9.15%
City - Street and Park Lighting	31,762	31,762	285,857	285,857	285,858	(1)	0.00%
City - Public Buildings	81,662	77,302	744,885	648,796	604,704	140,181	23.18%
OPU - Interutility	31,149	35,111	265,014	266,227	277,521	(12,507)	-4.51%
Energy Acquisition Adjustment	17,443	121,142	606,540	1,233,669	237,852	368,688	155.01%
Electric True-up Charge	-	-	-	-	-	-	0.00%
Total Commodity Revenue	3,562,718	3,832,677	34,275,947	35,216,253	34,914,391	(638,444)	-1.83%
Other Operating Revenue							
Forfeited Discounts	15,169	18,069	106,485	105,918	103,100	3,385	3.28%
Reading and Connect Charges	7,890	6,860	58,335	57,910	54,077	4,258	7.87%
Property Rentals	365	355	69,834	67,826	66,518	3,316	4.98%
EV Charger Revenue	45	79	645	1,091	1,142	(497)	-43.55%
SMPMA Sub and Gen O&M Revenue	22,914	21,337	196,512	197,919	246,222	(49,710)	-20.19%
Total Other Operating Revenue	46,383	46,700	431,810	430,664	471,059	(39,249)	-8.33%
Non-Operating Revenue							
Interest Income	38,535	43,239	373,622	360,913	307,647	65,975	21.45%
Fair Market Value Gain on Investments	-	-	27,862	70,728	22,700	5,162	22.74%
Miscellaneous Sales & Credits	12,017	50,034	92,975	250,600	22,700	70,275	309.58%
Grant Revenue	-	-	-	-	-	-	0.00%
Supplier Credits and Distributions	16,825	17,720	219,045	281,457	281,943	(62,898)	-22.31%
Supplier Credits - Rebates	12,792	19,217	287,038	125,073	299,250	(12,212)	-4.08%
Sewer & Stormwater Admin Fees	4,936	4,624	44,424	41,616	44,424	-	0.00%
Energy Conservation Revenue	-	-	-	-	-	-	0.00%
Merchandising Revenue	(212)	(59)	(685)	401	1,038	(1,723)	-166.00%
Renewable Energy Credit Revenue	15	15	135	135	-	135	0.00%
Total Non-Operating Revenue	84,908	134,789	1,044,416	1,130,923	979,702	64,714	6.61%
Total Revenue	3,694,009	4,014,166	35,752,173	36,777,841	36,365,152	(612,979)	-1.69%



Income Statement

Electric Utility
September 2025

	This Month	Prior Year	Current YTD	Prior YTD	Budget YTD	YTD Budget Difference \$	YTD Budget Difference %
Commodity Expenses							
Purchased Power	2,807,324	2,812,596	25,500,050	26,330,732	26,306,979	(806,929)	-3.07%
Subtotal Commodity Expenses	2,807,324	2,812,596	25,500,050	26,330,732	26,306,979	(806,929)	-3.07%
Operating Expenses							
Production	22,854	26,497	241,583	278,173	363,385	(121,802)	-33.52%
Transmission	12,980	6,133	71,239	48,241	120,153	(48,914)	-40.71%
Distribution	228,079	212,031	2,700,945	2,200,521	2,544,584	156,361	6.14%
Customer Acct & Collections	66,101	71,619	700,232	642,875	719,909	(19,677)	-2.73%
Administrative and General	163,257	162,962	1,597,635	1,420,677	1,660,752	(63,117)	-3.80%
Stockroom	5,906	4,117	46,968	42,980	51,239	(4,271)	-8.33%
Other Operating Expenses	4,502	3,054	32,587	31,171	43,927	(11,340)	-25.82%
Subtotal Operating Expenses	503,679	486,413	5,391,190	4,664,637	5,503,949	(112,759)	-2.05%
Capitalized Expenses	-	-	-	-	-	-	0.00%
Total Operating Expenses	3,311,003	3,299,009	30,891,239	30,995,369	31,810,928	(919,689)	-2.89%
Income (Loss) Before Other Expense	383,006	715,157	4,860,934	5,782,472	4,554,224	306,710	6.73%
Other Expense							
Contributions in Aid to Construction	(10,354)	(10,354)	(93,186)	(93,186)	(93,186)	-	0.00%
Depreciation	221,610	213,746	1,975,989	1,898,603	2,106,144	(130,155)	-6.18%
Gain (Loss) on Asset	-	-	(21,778)	(15,316)	-	(21,778)	0.00%
Contributed Services	78,462	116,381	1,056,138	961,743	938,086	118,052	12.58%
Total Other Expense	289,718	319,773	2,917,163	2,751,844	2,951,044	(33,881)	-1.15%
Total Expenses	3,600,721	3,618,782	33,808,403	33,747,213	34,761,972	(953,569)	-2.74%
Net Income (Loss)	93,288	395,384	1,943,771	3,030,628	1,603,180	340,591	21.24%



Income Statement

Water Utility
September 2025

	This Month	Prior Year	Current YTD	Prior YTD	Budget YTD	YTD Budget Difference \$	YTD Budget Difference %
Commodity Revenue							
Residential	285,444	268,766	2,430,225	2,185,697	2,481,487	(51,262)	-2.07%
Commercial	70,541	64,019	569,590	514,588	583,165	(13,575)	-2.33%
Industrial & Large Commercial	125,463	133,051	687,284	644,849	824,295	(137,011)	-16.62%
City - Public Buildings	12,381	31,431	100,164	168,201	177,676	(77,512)	-43.63%
OPU - Interutility	1,785	2,905	13,651	11,256	11,776	1,875	15.93%
Total Commodity Revenue	495,615	500,173	3,800,915	3,524,590	4,078,399	(277,484)	-6.80%
Other Operating Revenue							
Forfeited Discounts	2,235	2,096	18,392	17,396	16,800	1,592	9.47%
Reading and Connect Charges	-	-	340	370	496	(156)	-31.45%
Water Access Charges	366	82,949	34,241	92,637	41,167	(6,926)	-16.82%
Property Rentals	19,583	17,847	175,262	159,622	175,309	(47)	-0.03%
Total Other Operating Revenue	22,184	102,892	228,234	270,024	233,772	(5,538)	-2.37%
Non-Operating Revenue							
Interest Income	24,130	20,273	202,776	155,643	161,488	41,288	25.57%
Fair Market Value Gain on Investments	-	-	7,302	32,802	6,500	802	12.33%
Miscellaneous Sales & Credits	194	72,664	7,838	75,572	5,175	2,663	51.45%
Grant Revenue	-	-	-	8,500	-	-	0.00%
Sewer & Stormwater Admin Fees	2,413	2,261	21,717	20,349	21,717	-	0.00%
Water Service Line Protection Revenue	-	-	-	-	-	-	0.00%
Total Non-Operating Revenue	26,737	95,197	239,632	292,866	194,880	44,752	22.96%
Total Revenue	544,537	698,262	4,268,782	4,087,481	4,507,051	(238,269)	-5.29%



Income Statement

Water Utility
September 2025

	This Month	Prior Year	Current YTD	Prior YTD	Budget YTD	YTD Budget Difference \$	YTD Budget Difference %
Operating Expenses							
Production	78,474	83,397	630,015	601,376	703,316	(73,301)	-10.42%
Distribution	103,864	69,310	784,483	745,943	922,230	(137,747)	-14.94%
Customer Acct & Collections	26,954	29,144	277,438	277,075	319,579	(42,141)	-13.19%
Administrative and General	92,082	136,032	782,544	876,504	892,793	(110,249)	-12.35%
Stockroom	2,876	1,994	23,423	20,952	25,055	(1,632)	-6.51%
Water Service Line Protection Expenses	-	-	-	-	-	-	0.00%
Other Operating Expenses	6,880	4,340	42,896	43,986	69,063	(26,167)	-37.89%
Subtotal Operating Expenses	311,129	324,216	2,540,800	2,565,836	2,932,036	(391,236)	-13.34%
Capitalized Expenses	-	-	-	-	-	-	0.00%
Total Operating Expenses	311,129	324,216	2,540,800	2,565,836	2,932,036	(391,236)	-13.34%
Income (Loss) Before Other Expense	233,408	374,045	1,727,982	1,521,645	1,575,015	152,967	9.71%
Other Expense							
Contributions in Aid to Construction	(6,025)	(6,025)	(54,225)	(54,225)	(54,225)	-	0.00%
Depreciation	63,876	61,048	560,571	544,752	588,483	(27,912)	-4.74%
Gain (Loss) on Asset	-	-	(7,146)	(1,122)	-	(7,146)	0.00%
Contributed Services	10,598	32,119	104,536	173,402	182,225	(77,689)	-42.63%
Total Other Expense	68,449	87,142	603,736	662,807	716,483	(112,747)	-15.74%
Total Expenses	379,578	411,359	3,144,536	3,228,643	3,648,519	(503,983)	-13.81%
Net Income (Loss)	164,958	286,903	1,124,246	858,838	858,532	265,714	30.95%



Income Statement

Gas Utility
September 2025

	This Month	Prior Year	Current YTD	Prior YTD	Budget YTD	YTD Budget Difference \$	YTD Budget Difference %
Commodity Revenue							
Residential	272,906	273,085	6,035,957	5,653,325	5,886,900	149,057	2.53%
Commercial	99,437	94,577	2,496,869	2,331,437	2,634,596	(137,727)	-5.23%
Industrial & Large Commercial	211,391	277,091	3,928,465	4,106,014	4,413,130	(484,665)	-10.98%
City - Public Buildings	10,168	8,452	253,774	233,967	227,102	26,672	11.74%
OPU - Interutility	609	867	30,605	28,110	33,867	(3,262)	-9.63%
Purchased Gas Adjustment (PGA)	(50,044)	(164,752)	(113,321)	(2,157,821)	(236,891)	123,570	-52.16%
Gas True-up Charge (GTC)	(11,414)	30,715	59,457	1,273,890	-	59,457	0.00%
Total Commodity Revenue	533,054	520,035	12,691,805	11,468,922	12,958,704	(266,899)	-2.06%
Other Operating Revenue							
Forfeited Discounts	2,798	2,556	63,914	55,462	64,400	(486)	-0.76%
Reading and Connect Charges	135	140	685	620	455	230	50.55%
Property Rentals	-	-	-	-	-	-	0.00%
Gas Transportation Tariff	26,982	33,476	126,727	143,592	220,505	(93,778)	-42.53%
Total Other Operating Revenue	29,916	36,171	191,325	199,674	285,360	(94,035)	-32.95%
Non-Operating Revenue							
Interest Income	34,637	35,760	299,608	360,229	286,781	12,827	4.47%
Fair Market Value Gain on Investments	-	-	(1,619)	56,390	(1,000)	(619)	61.93%
Miscellaneous Sales & Credits	291	1,202	11,458	9,551	5,955	5,503	92.41%
Grant Revenue	-	-	-	-	-	-	0.00%
Sewer & Stormwater Admin Fees	3,620	3,391	32,580	30,519	32,580	-	0.00%
Energy Conservation Revenue	-	-	-	-	-	-	0.00%
Merchandising Revenue	38	-	38	342	279	(241)	-86.38%
Total Non-Operating Revenue	38,586	40,353	342,065	457,031	324,595	17,470	5.38%
Total Revenue	601,556	596,559	13,225,195	12,125,627	13,568,659	(343,464)	-2.53%



Income Statement

Gas Utility
September 2025

	This Month	Prior Year	Current YTD	Prior YTD	Budget YTD	YTD Budget Difference \$	YTD Budget Difference %
Commodity Expenses							
Purchased Gas	278,829	286,059	8,058,838	7,517,668	8,144,146	(85,308)	-1.05%
Subtotal Commodity Expenses	278,829	286,059	8,058,838	7,517,668	8,144,146	(85,308)	-1.05%
Operating Expenses							
Production	6,189	6,000	56,581	47,332	60,933	(4,352)	-7.14%
Distribution	168,154	124,949	1,484,344	1,255,707	1,460,203	24,141	1.65%
Customer Acct & Collections	41,094	44,807	441,120	438,316	500,035	(58,915)	-11.78%
Administrative and General	170,816	163,268	1,623,902	1,415,733	1,570,971	52,931	3.37%
Stockroom	4,314	2,992	35,145	31,447	37,576	(2,431)	-6.47%
Other Operating Expenses	8,145	5,793	53,756	54,511	86,816	(33,060)	-38.08%
Subtotal Operating Expenses	398,711	347,809	3,694,848	3,243,046	3,716,534	(21,686)	-0.58%
Capitalized Expenses	-	-	-	-	-	-	0.00%
Total Operating Expenses	677,540	633,868	11,753,686	10,760,714	11,860,680	(106,994)	-0.90%
Income (Loss) Before Other Expense	(75,984)	(37,309)	1,471,509	1,364,913	1,707,979	(236,470)	-13.84%
Other Expense							
Contributions in Aid to Construction	(3,911)	(3,911)	(35,199)	(35,199)	(35,199)	-	0.00%
Depreciation	73,735	68,407	654,848	611,457	723,618	(68,770)	-9.50%
Gain (Loss) on Asset	-	-	(48,923)	(1,683)	-	(48,923)	0.00%
Contributed Services	3,323	6,114	258,532	216,933	215,036	43,496	20.23%
Total Other Expense	73,147	70,610	829,258	791,508	903,455	(74,197)	-8.21%
Total Expenses	750,688	704,478	12,582,944	11,552,221	12,764,135	(181,191)	-1.42%
Net Income (Loss)	(149,132)	(107,918)	642,252	573,405	804,524	(162,272)	-20.17%

Owatonna Public Utilities
Uncollectible Accounts Activity
September 2025

	2025				2024			
	September		Year-to-date		September		Year-to-date	
	# of accts	\$	# of accts	\$	# of accts	\$	# of accts	\$
<u>Write-offs:</u>								
Bankruptcies	1	\$ 2,634.60	2	\$ 4,326.80			1	\$ 238.99
Uncollectibles	14	\$ 7,284.52	162	\$ 66,765.02	22	\$ 8,695.20	172	\$ 96,233.24
Small balances	2	\$ 5.27	23	\$ 39.36	1	\$ (0.56)	7	\$ 11.15
Total Write-offs	17	\$ 9,924.39	187	\$ 71,131.18	23	\$ 8,694.64	180	\$ 96,483.38
<u>Collections:</u>								
Collections	6	\$ 3,799.28	108	\$ 35,958.36	6	\$ 2,673.96	105	\$ 37,485.38
Total Collections	6	\$ 3,799.28	108	\$ 35,958.36	6	\$ 2,673.96	105	\$ 37,485.38

**Owatonna Public Utilities
Investment Report, Electric
9/30/2025**

	Financial Institution	Month Invested	Maturity Month	Term (Mos)	Current Interest Rate	Balance September 2024	Balance August 2025	Balance September 2025	
Operating Funds:									
Acct# 110378948	Bremer Bank				0.00%	(287,228.09)	(370,336.35)	(184,646.70)	
Cash on Hand	None				0.00%	960.00	960.00	960.00	
Total Operating Funds						(286,268.09)	(369,376.35)	(183,686.70)	
Money Market & Savings:									
Acct# 26032391	Raymond James				0.12%	3,771.87	0.06	0.06	
Acct# 672631288	Bremer Bank				2.92%	5,627,376.25	4,737,888.09	4,845,513.30	
Acct# RP-57586-CE	UBS Financial Services				0.00%	4,520.53	4,495.56	4,495.69	
Total MM & Savings						5,635,668.65	4,742,383.71	4,850,009.05	Change PM
Subtotal Cash, Electric						5,349,400.56	4,373,007.36	4,666,322.35	293,314.99
Certificates of Deposit:									
CD #1603877	Community Bank Owatonna	Dec-22	Dec-25	36	4.25%		1,000,000.00	1,000,000.00	
CD #2000051130	Home Federal Savings	Mar-23	Mar-26	36	4.06%		1,000,000.00	1,000,000.00	
CD #14042TFD4	Capital One Bank USA (UBS)	Apr-22	Apr-26	48	2.60%		245,000.00	245,000.00	
CD #1603876	Community Bank Owatonna	Dec-22	Dec-26	48	4.25%		1,500,000.00	1,500,000.00	
CD #68676797	Bremer Bank	Feb-24	Feb-27	36	4.00%		600,000.00	600,000.00	
CD #07371CG37	Beal Bank NV (UBS)	Feb-22	Feb-27	60	1.85%		245,000.00	245,000.00	
CD #07371AYL1	Beal Bank Plano TX (UBS)	Feb-22	Feb-27	60	1.85%		245,000.00	245,000.00	
CD #1604001	Community Bank Owatonna	Mar-23	Mar-28	60	4.25%		900,000.00	900,000.00	
CD #1604635	Community Bank Owatonna	Nov-24	Nov-28	48	3.80%		750,000.00	750,000.00	
CD #2000058550	Home Federal Savings	Feb-24	Feb-29	60	3.95%		900,000.00	900,000.00	
CD #3012915	Profinium	Nov-24	Nov-29	60	4.00%		500,000.00	500,000.00	
CD #3016155	Profinium	Jul-25	Jul-30	60	3.85%		400,000.00	400,000.00	
Total Certificates of Deposit						6,884,000.00	8,285,000.00	8,285,000.00	Change PM
Total Funds, Electric						12,233,400.56	12,658,007.36	12,951,322.35	293,314.99
Restricted Funds:									
Unspent Capital from Work Orders Approved in Prior Years						966,031.20	850,537.10	568,949.81	
PDO Reserve						773,000.00	835,000.00	820,000.00	
Consumer Deposits						54,440.00	50,420.00	50,180.00	
PIES revolving loan fund						250,000.00	250,000.00	250,000.00	
Total Restricted Funds						2,043,471.20	1,985,957.10	1,689,129.81	Change PM
Net Unrestricted Funds, Electric						10,189,929.36	10,672,050.26	11,262,192.54	590,142.28
Required Reserves:									
Operating Reserve Minimum Requirement						4,114,060.00	4,729,439.00	4,729,439.00	
Capital Reserve Minimum Requirement						4,742,166.00	5,390,077.00	5,390,077.00	
Total Reserve Minimum Requirement						8,856,226.00	10,119,516.00	10,119,516.00	% of Target
Excess Unrestricted Reserves, Electric						1,333,703.36	552,534.26	1,142,676.54	111.3%

Plans For Future Capital Reserves or Excess Reserves

Security Systems for Facilities - approx. \$0.5 million (2023-2029)
New Service Territory - approx. \$0.8 million (2022-2027)
East Owatonna Substation Expansion approx. \$3.1 million (2025-2029)

**Owatonna Public Utilities
Investment Report, Water
9/30/2025**

	Financial Institution	Month Invested	Maturity Month	Term (Mos)	Current Interest Rate	Balance September 2024	Balance August 2025	Balance September 2025	
Operating Funds:									
Acct# 110378948	Bremer Bank				0.00%	(24,064.96)	(325,020.97)	(125,974.00)	
Cash on Hand	None				0.00%	480.00	480.00	480.00	
Total Operating Funds						(23,584.96)	(324,540.97)	(125,494.00)	
Money Market & Savings:									
Acct# 26032391	Raymond James				0.12%	5,857.92	0.48	0.48	
Acct# 672631288	Bremer				2.92%	3,163,940.94	3,918,194.70	3,730,584.95	
Total MM & Savings						3,169,798.86	3,918,195.18	3,730,585.43	Change PM
Subtotal Cash, Water						3,146,213.90	3,593,654.21	3,605,091.43	11,437.22
Certificates of Deposit:									
CD #02589AE40	American Express (RJ)	Oct-22	Oct-25	36	4.35%		244,000.00	244,000.00	
CD #2000037641	Home Federal Svg Bank	Dec-22	Dec-25	36	3.29%		225,000.00	225,000.00	
CD #3002610	Profinium	Mar-23	Mar-26	36	4.00%		400,000.00	400,000.00	
CD# 85628AAU4	State Bank India (RJ)	Jul-25	Jul-26	12	4.25%		239,000.00	239,000.00	
CD #160203194	Bremer Bank	Nov-24	Nov-26	24	4.15%		500,000.00	500,000.00	
CD #1603878	Community Bank Owatonna	Dec-22	Dec-26	48	4.25%		500,000.00	500,000.00	
CD #838734581	Bremer Bank	Feb-24	Feb-27	36	4.00%		750,000.00	750,000.00	
CD #61773TDG5	Morgan Stanley Bank NA (RJ)	Apr-22	Apr-27	60	2.75%		246,000.00	246,000.00	
CD #3016150	Profinium	Jul-25	Jul-27	24	3.95%		400,000.00	400,000.00	
CD #1604002	Community Bank Owatonna	Mar-23	Mar-28	60	4.25%		500,000.00	500,000.00	
CD #2000058557	Home Federal Savings	Feb-24	Feb-29	60	3.95%		250,000.00	250,000.00	
Total Certificates of Deposit						4,109,000.00	4,254,000.00	4,254,000.00	Change PM
Total Funds, Water						7,255,213.90	7,847,654.21	7,859,091.43	11,437.22
Restricted Funds:									
Unspent Capital from Work Orders Approved in Prior Years						-	961,304.45	-	
PDO Reserve						340,000.00	377,000.00	380,000.00	
Consumer Deposits						8,470.00	6,550.00	6,530.00	
Water Service Line Protection Program Balance						217,312.03	247,208.30	251,169.19	
Water Expansion (excess/shortage compared to reserve requirement total)						506,633.28	585,701.28	586,067.28	
Total Restricted Funds						1,072,415.31	2,177,764.03	1,223,766.47	Change PM
Net Unrestricted Funds, Water						6,182,798.59	5,669,890.18	6,635,324.96	965,434.78
Required Reserves:									
Operating Reserve Minimum Requirement						878,022.00	850,793.00	850,793.00	
Capital Reserve Minimum Requirement						2,871,669.00	3,052,551.00	3,052,551.00	
Water Expansion Reserve						-	-	-	
Total Reserve Minimum Requirement						3,749,691.00	3,903,344.00	3,903,344.00	% of Target
Excess Unrestricted Reserves, Water						2,433,107.59	1,766,546.18	2,731,980.96	170.0%

Plans For Future Capital Reserves or Excess Reserves

Water Tower Reconditioning - approx. \$3.7 million (2025-2029)
New Well - approx. \$3.9 million (2026-2027)

**Owatonna Public Utilities
Investment Report, Gas
9/30/2025**

Financial Institution		Month Invested	Maturity Month	Term (Mos)	Current Interest Rate	Balance September 2024	Balance August 2025	Balance September 2025	
Operating Funds:									
Acct# 110378948	Bremer Bank				0.00%	(28,091.02)	(325,331.18)	(123,765.93)	
Cash on Hand	None				0.00%	960.00	960.00	960.00	
Total Operating Funds						(27,131.02)	(324,371.18)	(122,805.93)	
Money Market & Savings:									
Acct# 1AB21566	Wells Fargo				0.00%	9,326.03	-	-	
Acct# 26032391	Raymond James				0.12%	15,922.25	7,564.11	11,136.93	
Acct# 97174	HomeTown Credit Union				0.00%	-	-	-	
Acct# 672631288	Bremer Bank				2.92%	4,137,728.58	3,781,909.61	3,586,212.95	
Total MM & Savings						4,162,976.86	3,789,473.72	3,597,349.88	Change PM
Subtotal Cash, Gas						4,135,845.84	3,465,102.54	3,474,543.95	9,441.41
Certificates of Deposit:									
CD #91823MBD6	VCC Bank (RJ)	Oct-22	Oct-25	36	4.10%		248,000.00	248,000.00	
CD #949764JD7	Wells Fargo (RJ)	Nov-23	Nov-25	24	5.35%		248,000.00	248,000.00	
CD #15118RTF4	Celtic Bank Corp (RJ)	Dec-19	Dec-25	72	1.90%		249,000.00	249,000.00	
CD #3002620	Profinium	Mar-23	Mar-26	36	4.00%		600,000.00	600,000.00	
CD #254673V45	Discover Bank (RJ)	Oct-22	Oct-26	48	4.45%		243,000.00	243,000.00	
CD #01882MAJ1	Alliant Credit Union (RJ)	Nov-23	Nov-26	36	5.60%		248,000.00	248,000.00	
CD #1603879	Community Bank Owatonna	Dec-22	Dec-26	48	4.25%		1,250,000.00	1,250,000.00	
CD #167527928	Bremer Bank	Feb-24	Feb-27	36	4.00%		650,000.00	650,000.00	
CD #3012930	Profinium	Nov-24	Nov-27	36	4.30%		500,000.00	500,000.00	
CD #1604003	Community Bank Owatonna	Mar-23	Mar-28	60	4.25%		600,000.00	600,000.00	
CD #930260981	Bremer Bank	Nov-24	Jan-28	48	3.80%		750,000.00	750,000.00	
CD #2000058564	Home Federal Savings	Feb-24	Feb-29	60	3.95%		850,000.00	850,000.00	
CD #3016160	Profinium	Jul-25	Jul-30	60	3.85%		700,000.00	700,000.00	
CD # 61776NVV2	Morgan Stanley PVT (RJ)	Jul-25	Jul-30	60	4.05%		244,000.00	244,000.00	
Total Certificates of Deposit						7,601,000.00	7,380,000.00	7,380,000.00	
Other:									
Land Holdings						660,266.23	660,266.23	660,266.23	
Total Other						660,266.23	660,266.23	660,266.23	Change PM
Total Funds, Gas						12,397,112.07	11,505,368.77	11,514,810.18	9,441.41
Restricted Funds:									
Unspent Capital from Work Orders Approved in Prior Years						222,075.52	563,761.17	556,191.08	
PDO Reserve						421,000.00	460,000.00	464,000.00	
Consumer Deposits						89,600.00	85,800.00	85,450.00	
Land Holdings						660,266.23	660,266.23	660,266.23	
Total Restricted / Non-Liquid Funds						1,392,941.75	1,769,827.40	1,765,907.31	Change PM
Net Unrestricted Funds, Gas						11,004,170.32	9,735,541.37	9,748,902.87	13,361.50
Required Reserves:									
Operating Reserve Minimum Requirement						2,493,311.00	3,194,424.00	3,194,424.00	
Capital Reserve Minimum Requirement						2,219,523.00	2,299,715.00	2,299,715.00	
Total Reserve Minimum Requirement						4,712,834.00	5,494,139.00	5,494,139.00	% of Target
Excess Unrestricted Reserves, Gas						6,291,336.32	4,241,402.37	4,254,763.87	177.4%

Plans For Future Capital Reserves or Excess Reserves

Gas Connection Between Border Stations - approx. \$2.0 million (2026)

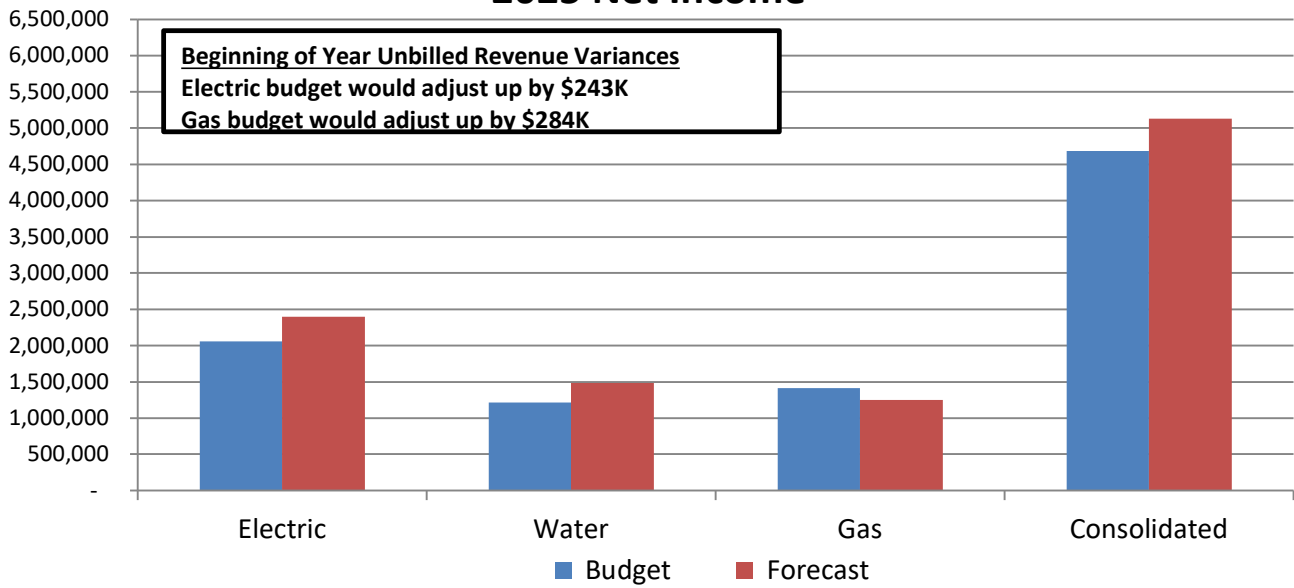
**Owatonna Public Utilities
Investment Report, Consolidated
9/30/2025**

Financial Institution		Month Invested	Maturity Month	Term (Mos)	Current Interest Rate	Balance September 2024	Balance August 2025	Balance September 2025	
Operating Funds:									
Acct# 110378948	Bremer Bank				0.00%	(339,384.07)	(1,020,688.50)	(434,386.63)	
Cash on Hand	None				0.00%	2,400.00	2,400.00	2,400.00	
Total Operating Funds						(336,984.07)	(1,018,288.50)	(431,986.63)	
Money Market & Savings:									
Acct# 1AB21566	Wells Fargo				0.00%	9,326.03	-	-	
Acct# 26032391	Raymond James				0.12%	25,552.04	7,564.65	11,137.47	
Acct# 97174	HomeTown Credit Union				0.00%	-	-	-	
Acct# 672631288	Bremer Bank				2.92%	12,929,045.77	12,437,992.40	12,162,311.20	
Acct# RP-57586-CE	UBS Financial Services				0.00%	4,520.53	4,495.56	4,495.69	
Total MM & Savings						12,968,444.37	12,450,052.61	12,177,944.36	Change PM
Subtotal Cash, Consolidated						12,631,460.30	11,431,764.11	11,745,957.73	314,193.62
Certificates of Deposit:									
Electric CDs						6,884,000.00	8,285,000.00	8,285,000.00	
Water CDs						4,109,000.00	4,254,000.00	4,254,000.00	
Gas CDs						7,601,000.00	7,380,000.00	7,380,000.00	
Total Certificates of Deposit						18,594,000.00	19,919,000.00	19,919,000.00	
Other:									
Land Holdings						660,266.23	660,266.23	660,266.23	
Total Other						660,266.23	660,266.23	660,266.23	Change PM
Total Funds, Consolidated						31,885,726.53	32,011,030.34	32,325,223.96	314,193.62
Restricted Funds:									
Unspent Capital from Work Orders Approved in Prior Years						1,188,106.72	2,375,602.72	1,125,140.89	
PDO Reserve						1,534,000.00	1,672,000.00	1,664,000.00	
Consumer Deposits						152,510.00	142,770.00	142,160.00	
PIES revolving loan fund						250,000.00	250,000.00	250,000.00	
Water Expansion (excess/shortage compared to reserve requirement total)						506,633.28	585,701.28	586,067.28	
Water Service Line Protection Program surplus						217,312.03	247,208.30	251,169.19	
Land Holdings						660,266.23	660,266.23	660,266.23	
Total Restricted / Non-Liquid Funds						4,508,828.26	5,933,548.53	4,678,803.59	Change PM
Net Unrestricted Funds, Consolidated						27,376,898.27	26,077,481.81	27,646,420.37	1,568,938.56
Required Reserves:									
Operating Reserve Minimum Requirement						7,485,393.00	8,774,656.00	8,774,656.00	
Capital Reserve Minimum Requirement						9,833,358.00	10,742,343.00	10,742,343.00	
Water Expansion Reserve Requirement						-	-	-	
Total Reserve Minimum Requirement						17,318,751.00	19,516,999.00	19,516,999.00	% of Target
Excess Unrestricted Reserves, Consolidated						10,058,147.27	6,560,482.81	8,129,421.37	141.7%

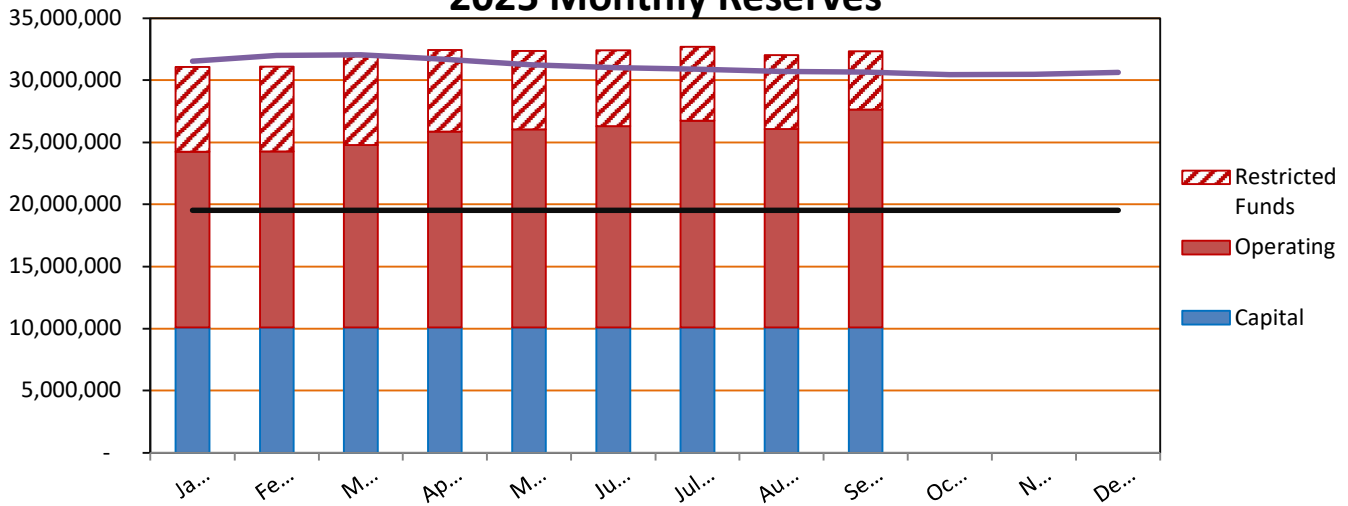
Plans For Future Capital Reserves or Excess Reserves

Security Systems for Facilities - approx. \$0.5 million (2023-2029)
New Service Territory - approx. \$0.8 million (2022-2027)
Water Tower Reconditioning - approx. \$3.7 million (2025-2029)
New Well - approx. \$3.9 million (2026-2027)
Gas Connection Between Border Stations - approx. \$2.0 million (2026)
East Owatonna Substation Expansion approx. \$3.1 million (2025-2029)

2025 Net Income



2025 Monthly Reserves



September Financials

SEPTEMBER 2025 HIGHLIGHTS

The financial results for September were below the 2025 plan by \$301,187 overall. Electric had a net income of \$93,288 vs. budgeted net income of \$311,735; Water had net income of \$164,958 vs. budgeted net income of \$203,620; Gas had a net loss of \$149,132 vs. a planned net loss of \$105,054. Total combined net Income for the month was \$109,114 vs. planned net income of \$410,301.

ELECTRIC – CURRENT MONTH

- Cash & investment balances in the electric utility increased by \$293,315.
- Commodity sold was 9.8% below planned. Commodity revenue was 10.3%, or \$407,043 below plan.
- Other revenue was 4.3% or \$5,849 below plan. Interest income was \$4,482 above plan; SMMPA rebate reimbursement was \$20,458 below plan; Misc. Sales & Credits were \$11,417 above plan.
- Purchased power expense was \$68,086 below plan, or 2.4%.
- Fixed costs were \$126,359 below plan or 13.7%. Rebate expenses were \$23,704 below plan; Tree trimming expense was \$40,697 below plan; Storm outage expenses were \$26,086 above plan; Contributed Services were \$29,186 below plan; Depreciation was \$12,406 below plan; Labor & Benefits were \$33,129 below plan.
- Net income for the electric utility was \$93,288 compared to budgeted net income of \$311,735 therefore below plan by \$218,447 or 70.1%.

WATER – CURRENT MONTH

- Cash & investments balances in the water utility increased by \$11,437.
- Water Commodity sold was 22.4% below plan during the month. Commodity Revenues were below plan by \$77,078 or 13.5%.
- Other revenue was \$3,159 above plan or 6.9%. Interest income was \$6,967 above plan; Water Access charges were \$3,480 below plan.
- Fixed costs were below plan by \$35,257 or 8.5%. Labor/Benefits were \$7,454 above plan; Production expenses were \$7,668 below plan; Admin. & General expenses were \$9,607 below plan; Distribution expenses were \$7,605 below plan; Contributed Services were \$14,897 below plan.

September Financials

- Net Income of \$164,958 was below the budgeted net income of \$203,620 by \$38,662, or 19.0%.

GAS – CURRENT MONTH

- Cash & investment balances in the gas utility increased by \$9,441.
- Commodity sold was 14.9% below plan for the month.
- Commodity gas revenue was below budget by \$71,796, or 11.9%.
- Other Revenue was \$14,479 below plan, or 17.4%, Transportation Tariff revenues were \$18,442 below plan.
- Commodity purchased gas cost was \$26,771 below plan, or 8.8%.
- Fixed costs were \$15,426 below plan, or 3.2%. Depreciation was \$6,667 below plan; Labor & Benefits were \$5,831 above plan; Distribution expense was \$5,500 below plan; Admin & General expenses were \$5,672 below plan.
- Gas had a net loss of \$149,132, compared to a budgeted net loss of \$105,054 therefore below plan by \$44,078 or 42.0%.

ELECTRIC – YTD

- Commodity sold is 4.9% below plan.
- Commodity revenue is 1.8%, or \$638,445 below plan. Residential sales are \$311,383 above plan; Commercial sales are \$224,227 above plan; Industrial sales are \$1,670,415 below plan; City sales are \$140,181 above plan; EAA revenue is \$368,688 above plan.
- Non-Commodity revenue is 1.8% or \$25,466 above planned. Interest income is \$65,975 above plan; SMMPA Rebate reimbursement is \$12,212 below plan; SMMPA Dist. & Economic credits are \$62,898 below plan; SMMPA Substation revenue is \$51,810 below plan; Misc. Sales/Credits are \$70,275 above plan.
- Purchased power expense is \$806,928 below plan, or 3.1%.
- Fixed costs are \$146,641 below plan or 1.7%. Distribution expenses are \$54,098 above plan, this includes \$92K in reimbursable storm outage expense; Depreciation is \$130,155 below plan; Admin & Gen. expenses are \$88,653 below plan; Contributed services are \$125,676 above plan; Labor/Benefits are \$25,863 below plan.
- Net income for the electric utility is \$1,943,770 compared to budgeted net income of \$1,603,180 therefore above plan by \$340,590 or 21.2%.

September Financials

WATER – YTD

- Water Commodity sold is 17.5% below planned.
- Commodity Revenues are below the plan by \$277,484 or 6.8%. Residential Sales are \$51,262 below plan; Commercial Sales are \$13,575 below plan; Industrial sales are \$137,011 below plan; City sales are \$77,512 below plan.
- Non-Commodity revenue is \$39,215 above plan or 9.1%. Interest income is \$41,288 above plan.
- Fixed costs are below plan by \$503,983 or 13.8%. Production expenses are \$56,048 below planned; Distribution expenses are \$117,502 below planned; Admin. & General expenses are \$120,871 below planned; Depreciation expense is \$27,912 below planned; Labor & benefits are \$89,936 below planned; Contributed services are \$77,689 below planned.
- Net Income of \$1,124,246 is above the budgeted net income of \$858,532, by \$265,714 or 30.9%.

GAS – YTD

- Commodity sold is 3.8% below plan YTD.
- Commodity gas revenue is below budget by \$266,899 or 2.1%. Residential Sales are \$149,057 above plan; Commercial sales are \$137,727 below plan; Industrial sales are \$484,665 below plan; City sales are \$26,672 above plan; PGA/GTC is \$183,027 above plan.
- Non-Commodity Revenue is \$76,565 below plan, or 12.6%. Trans. Tariff Rev. is \$93,778 below plan; Interest Income is \$12,827 above plan.
- Commodity purchased gas cost is \$85,308 below plan, or 1.0%.
- Fixed costs are \$95,883 below plan, or 2.1%. Admin & Gen expenses were \$110,156 below the plan; Rebate expense is \$130,900 above plan; Distribution expenses are \$114,407 below the plan; Depreciation is \$68,770 below the plan; Contributed services are \$43,496 above the plan; The selling of vehicles has resulted in a gain on sale of assets totaling \$48,923; Labor & Benefits are \$26,655 above plan.
- Gas has a net income of \$642,251 compared to budgeted net income of \$804,524, therefore below plan by \$162,273 or 20.2%.

September Financials

INVESTMENTS

Electric

- No Activity

Water

- No Activity

Gas

- No Activity

OPU Scorecard

		2025 Owatonna Public Utilities Scorecard																
		2024 Actual	January	February	March	April	May	June	July	August	September	October	November	December	YTD Total	Champion	Goal	
Financial	Controllable Costs	(7.8%) Under Budget	(11.3%) Under Budget	(9.3%) Under Budget	(7.5%) Under Budget	(7.4%) Under Budget	(7.6%) Under Budget	(8.2%) Under Budget	(5.8%) Under Budget	(3.8%) Under Budget	(4.3%) Under Budget				(7.6%) Under Budget	Olson	Under Budget	
	Reserves	82.95% Above Minimum	59.27% Above Minimum	59.35% Above Minimum	63.53% Above Minimum	66.28% Above Minimum	65.73% Above Minimum	66.11% Above Minimum	67.50% Above Minimum	64.02% Above Minimum	65.63% Above Minimum				65.73% Above Minimum	Olson	Above Minimum	
Operational	Electrical Reliability - SAIDI (Rolling 12 Month Sum)	27.2	26.1	26.3	26.2	25.2	21.8	15.4	9	9.8	9.8				9.8	Fenstermacher	< 13.4	
	Electrical Reliability - CAIDI	76.5	37.6	37.5	67.3	33.8	51.7	59.4	31.1	64.4	27.6				53.5	Fenstermacher	< 71.4	
	Water Reliability - CAIDI	200	154	145	127	130	130	130	129	132	132				132	Prokopec	< 160	
	Gas Line Incidents	8	0	0	0	0	3	0	1	0	0				4	Prokopec	0	
Employee	OSHA incidents	2	0	1	0	1	0	0	0	0	0				2	Madson	0	
	Workplace Insights		1	1	4	1	2	0	3	2	0				14	All	Track	
	Cost Savings/Avoidance	\$ 207,678	\$ 14,009	\$ -	\$ 200	\$ 4,487	\$ 2,000	\$ 30,650	\$ 6,286	\$ 6,830	\$ 2,063				\$ 66,525	All	> 250K	
Customer	Survey	72.6	60.3													Schmoll	>50	
	Rate Comparison:		Electric		Water		Gas		Electric		Water		Gas			Linders	Mid-point or better for comparable size Minnesota cities and cities in adjoining states	
	Residential	2	2		2		4											
	Commercial	2	2		2		3											
Industrial	1	2		1		2												
Stewardship	CO2 Tons	36.4%	25%	20%	25%	42%	35%	38%	67%	62%	59%				44%	Kraft	5,774 tons	
	Energy Savings	Electric (MWh)	36.4%	10%	12%	18%	33%	27%	31%	55%	50%	48%				36%	Kraft	6,147 MWh
		Gas (MCF)	36.2%	79%	41%	42%	53%	48%	44%	77%	71%	65%				49%	Kraft	19,648 MCF

Vision: We are recognized for excellence in our community, our state and nationwide.

Mission: We enhance the quality of life in our community by safely and reliably delivering customer-focused utility services.

Core Values: Customer Focus, Safety, Accountability and Pursuit of Excellence.

* CAIDI = Customer Average Interruptible Duration Index (Average Restoration Time)

2025 Meter Services Scorecard

Item		Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Average	High	Low	Goal	Champion
AMI	Overall read rates for month	99.93%	99.92%	99.93%	99.93%	99.89%	99.92%	99.93%	99.95%	99.93%				99.93%	99.95%	99.89%	99.80%	Johnson
	Engineering/Operations Analysis	10	10	9	8	16	7	7	6	14				9.67	16.00	6.00	N/A	Fenstermacher
	Transformer/Conductor Issues Identified	0	1	0	0	0	0	0	0	0				0.11	1.00	0.00	N/A	Johnson
	Low/No Voltage issues identified	2	0	1	3	1	1	1	2	0				1.22	3.00	0.00	N/A	Johnson
	Water leaks detected	5	3	2	3	2	7	0	0	1				2.56	7.00	0.00	>=3	Johnson
	Hot Sockets identified	0	0	0	0	0	0	5	1	1				0.78	5.00	0.00	N/A	Johnson
	Backfeed detected	1	0	0	0	0	0	0	0	0				0.11	1.00	0.00	N/A	Johnson
	Labor hours spent on comms issues	39	40.75	5	25	74.5	32	22	46.5	99.5				42.69	99.50	5.00	N/A	Johnson
	Meter Malfunctions Caught	1	1	2	1	1	1	2	1	1				1.22	2.00	1.00	N/A	Johnson

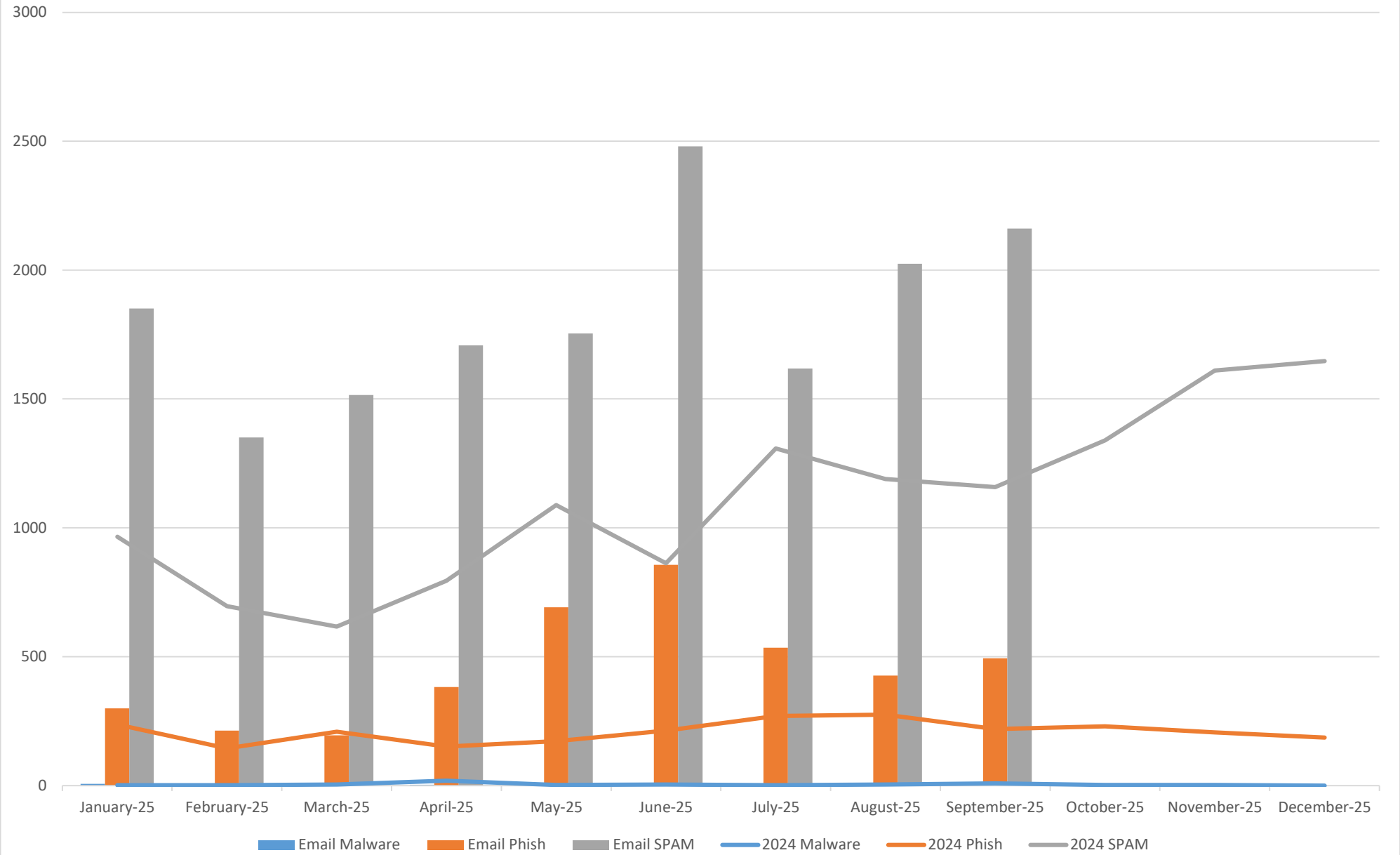
Vision: We are recognized for excellence in our community, our state and nationwide.

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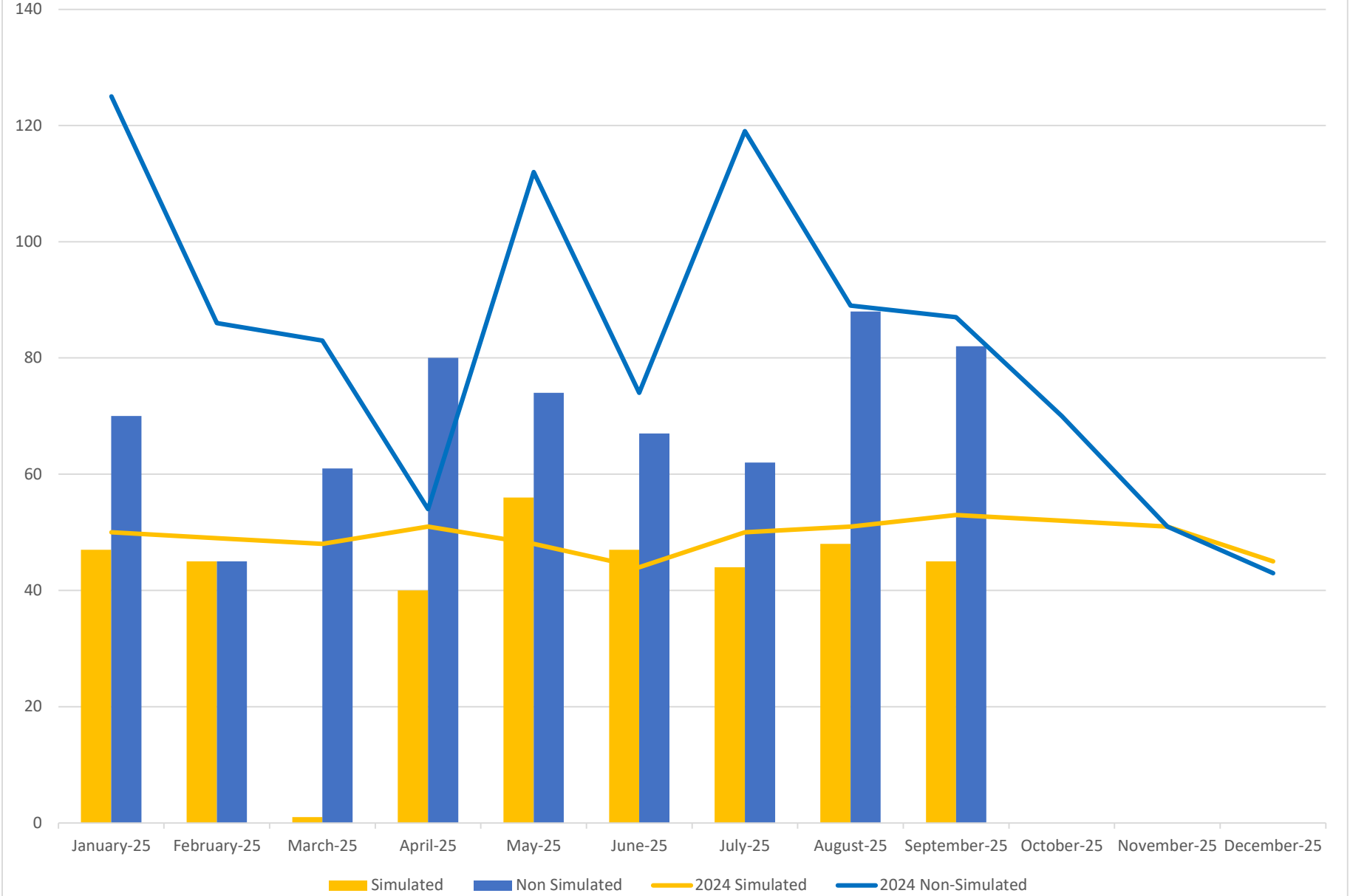
Core Values: Customer Focus, Safety, Accountability and Pursuit of Excellence.

IT Security Metrics

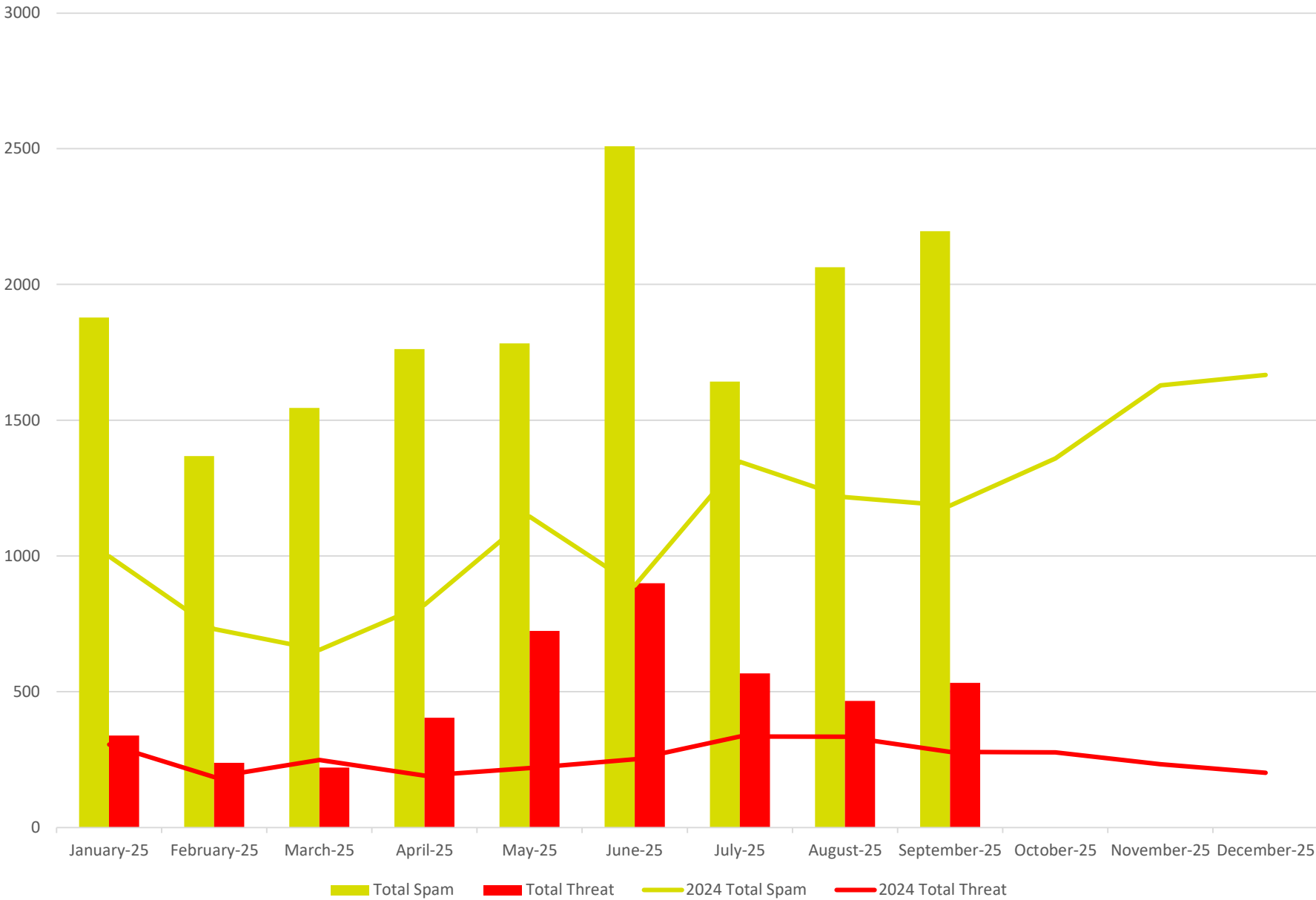
Email Security Metrics - Prevented



Email Security Metrics - Reported



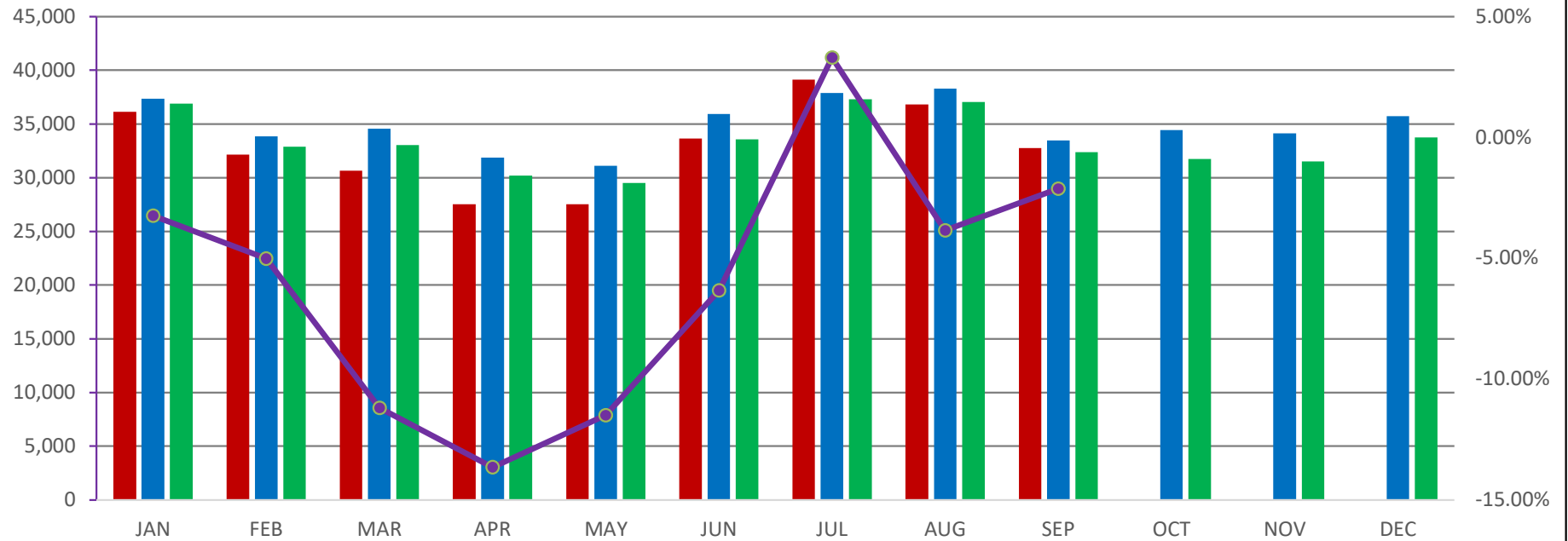
Email Security Metrics - Total Stopped



Load Forecast / Generation Metrics

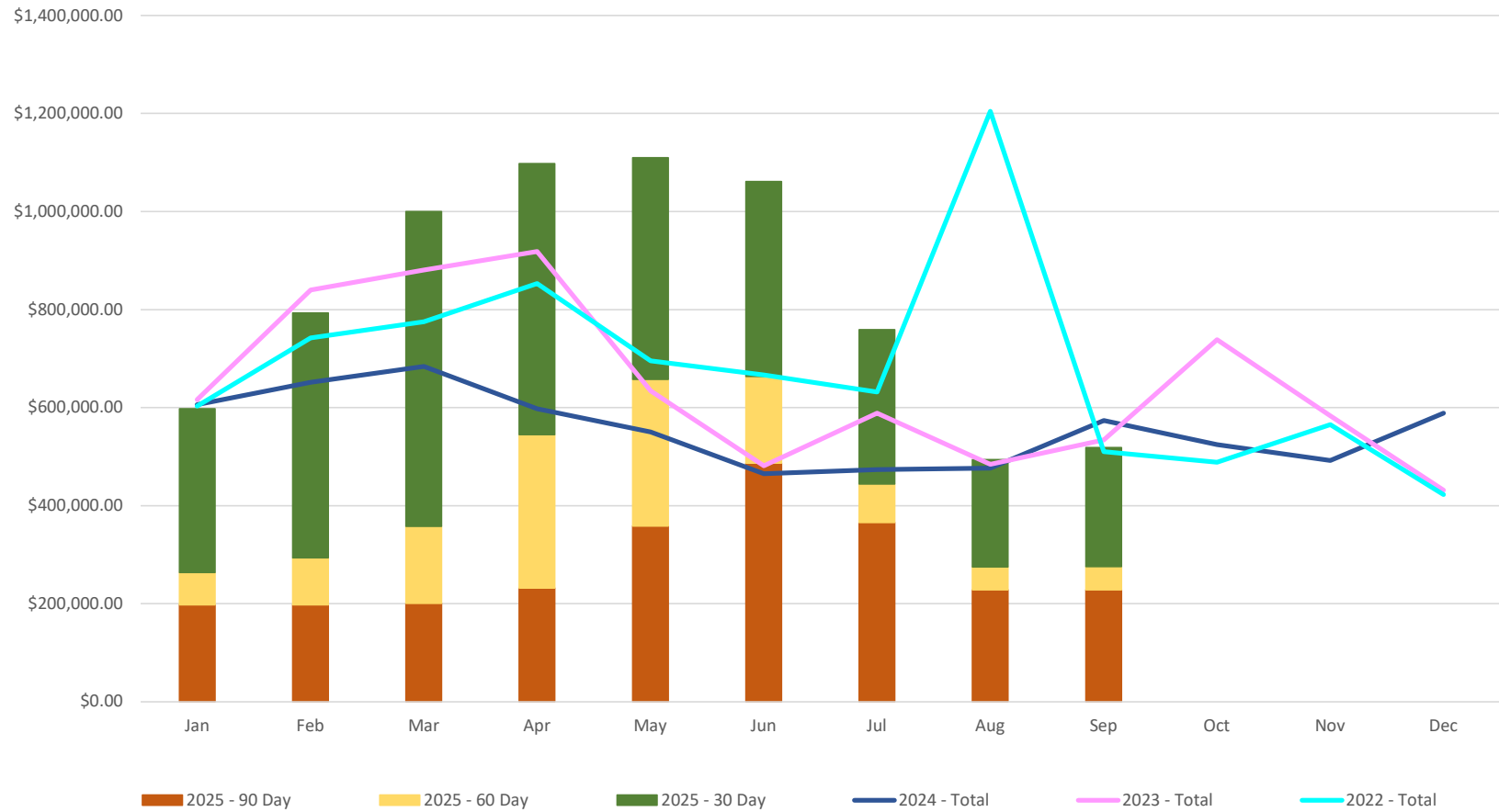
OPU Electric MWH System Requirements

2025 Forecast 2024 Variance Actual to Forecast

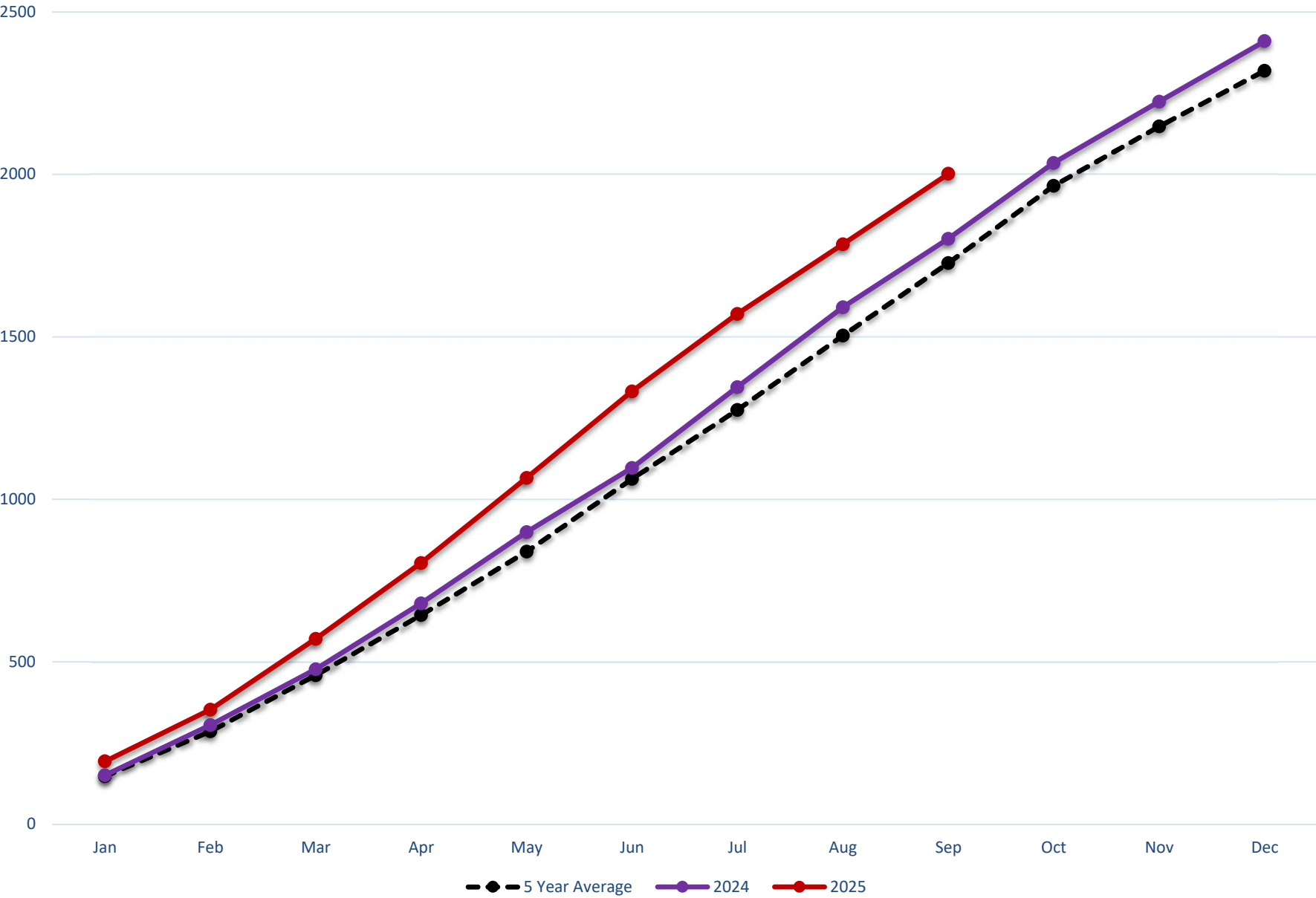


Customer Experience Metrics

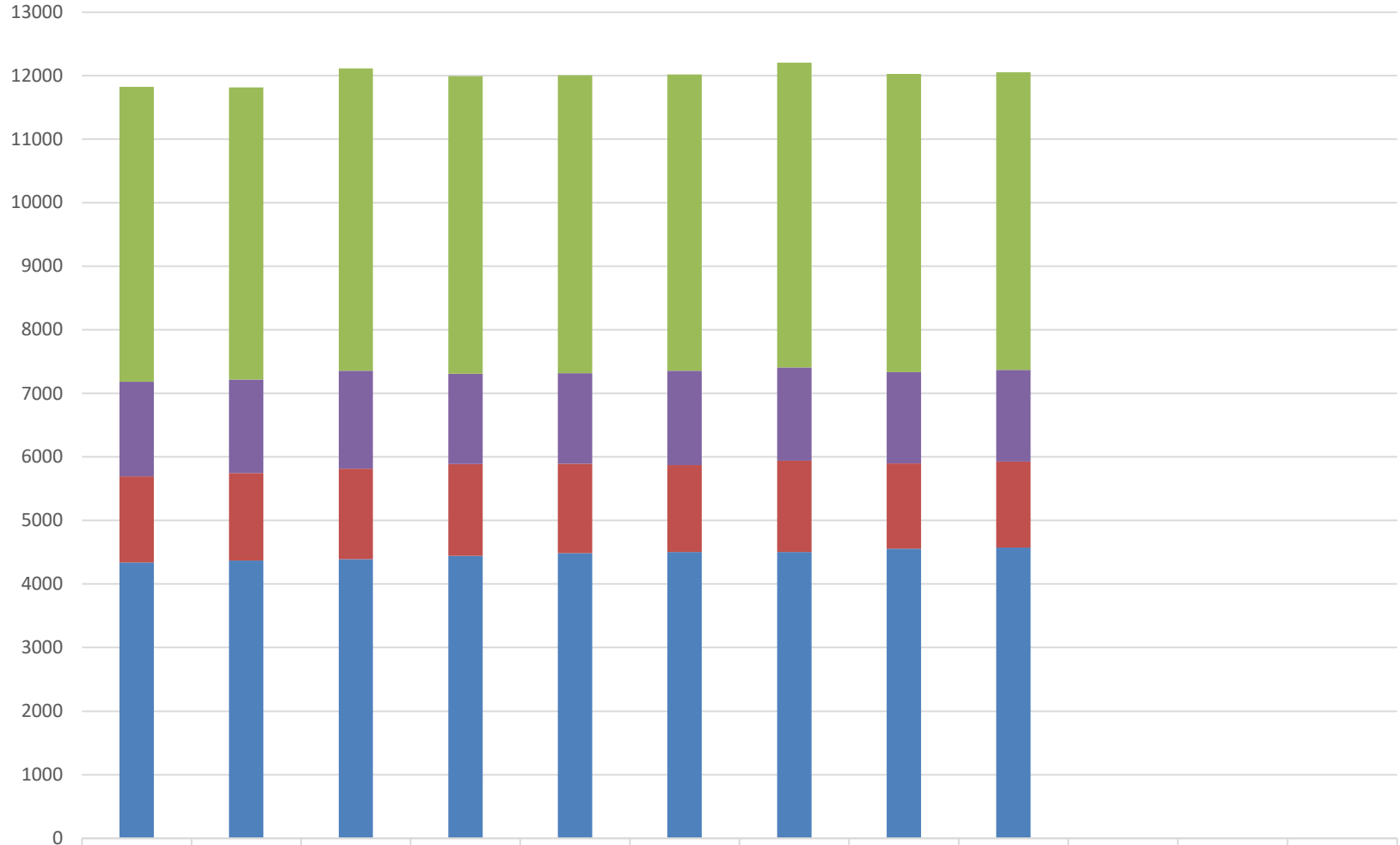
Accounts Receivable - Past Due All Accounts
Aging History -Combined E, W & G



Year to Date Move Orders (Transfers)



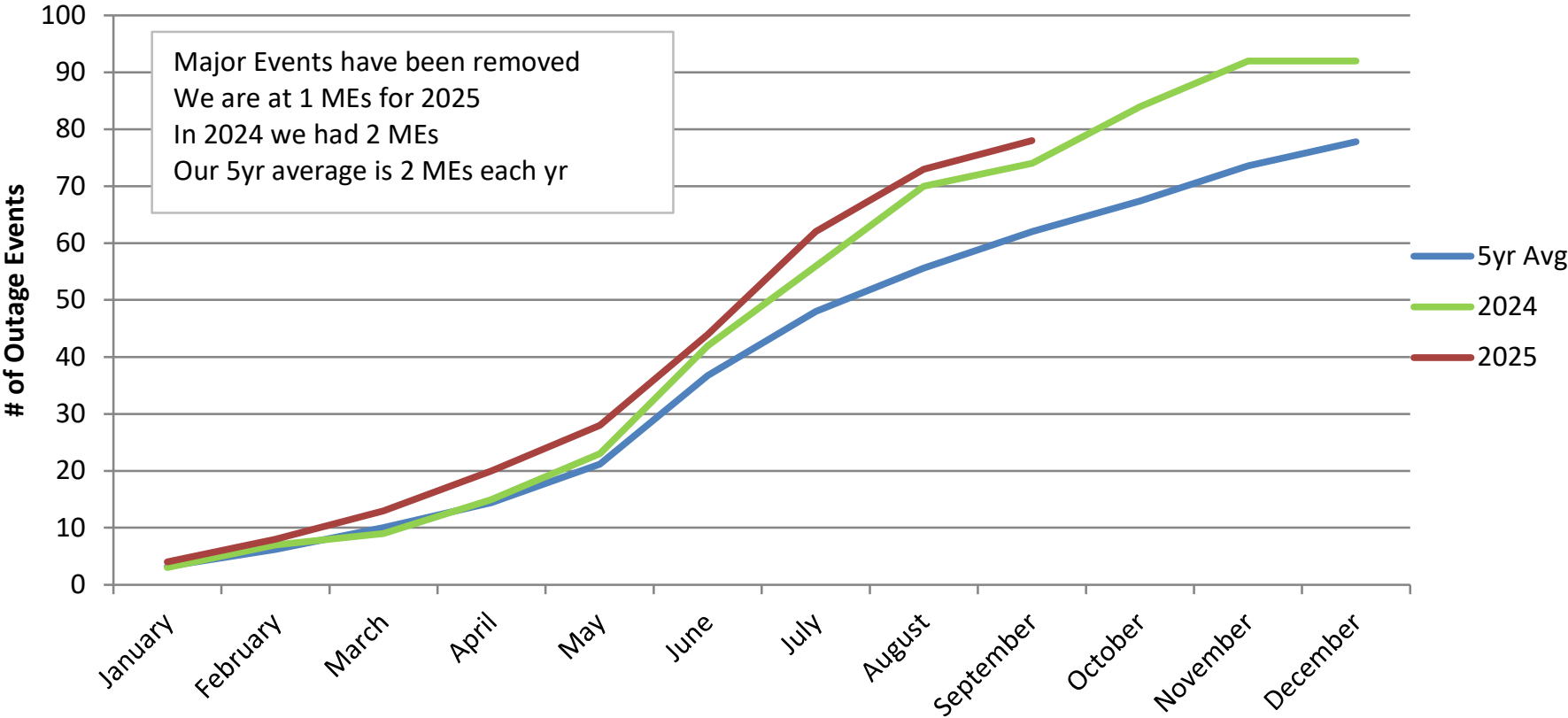
2025 Customer Bill Payments by Payment Method



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Virtual One-Time	4641	4597	4758	4681	4687	4660	4796	4691	4685	0	0	0
Mail Check	1490	1473	1543	1422	1425	1487	1466	1435	1438	0	0	0
Visit Lobby	1355	1374	1422	1443	1408	1366	1439	1341	1358	0	0	0
Recurring Autopay	4338	4372	4392	4445	4486	4505	4503	4558	4572	0	0	0

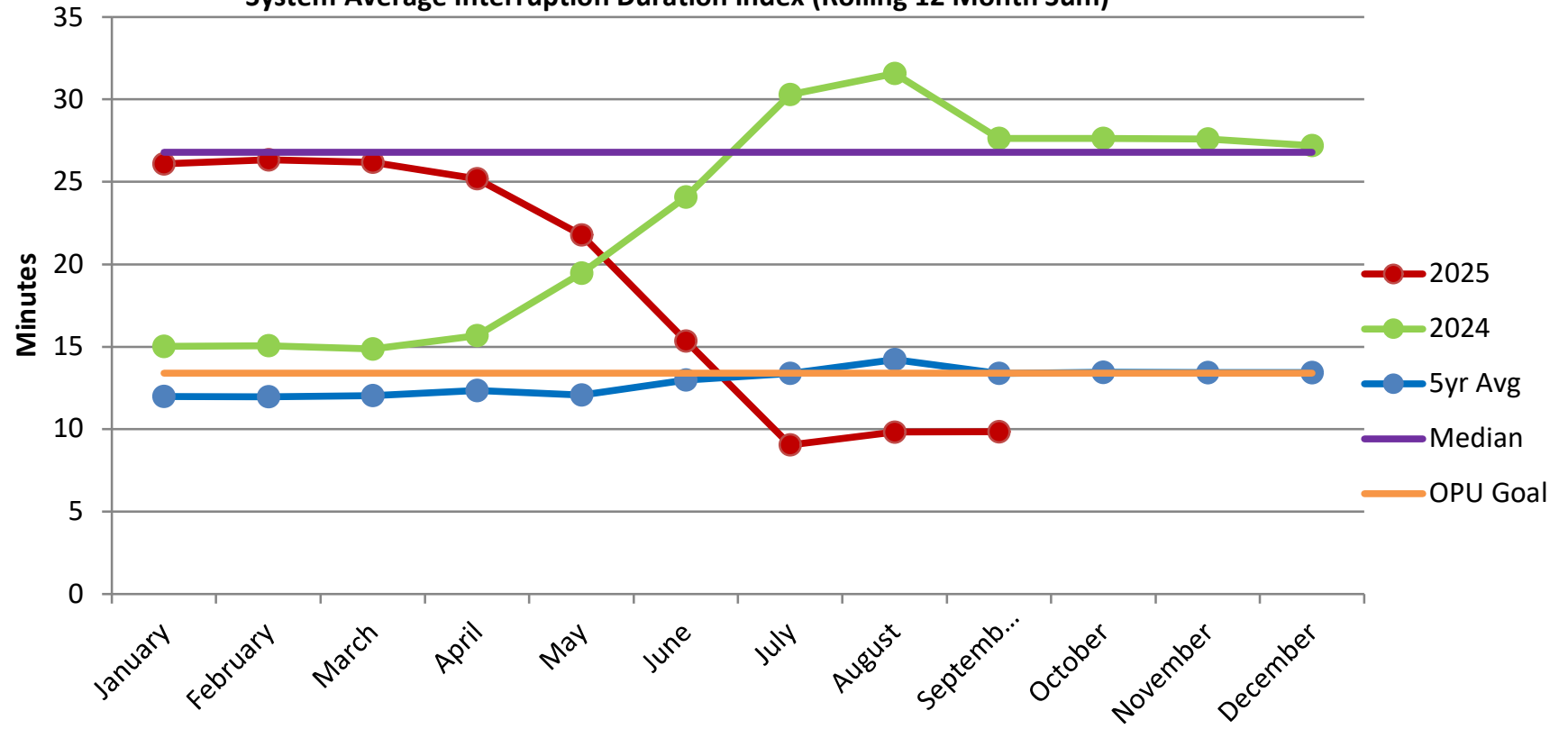
Electrical System Metrics

YTD OUTAGE EVENT COUNT



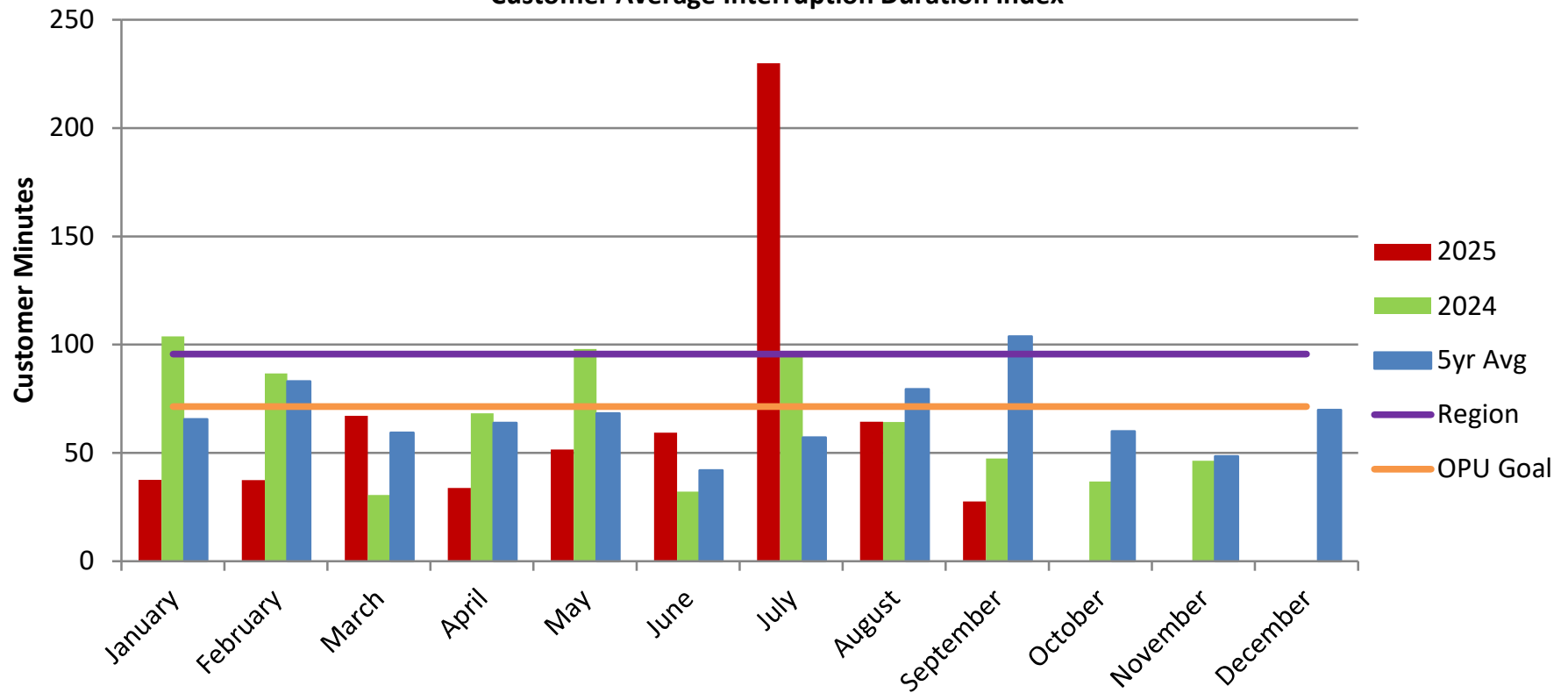
SAIDI

System Average Interruption Duration Index (Rolling 12 Month Sum)



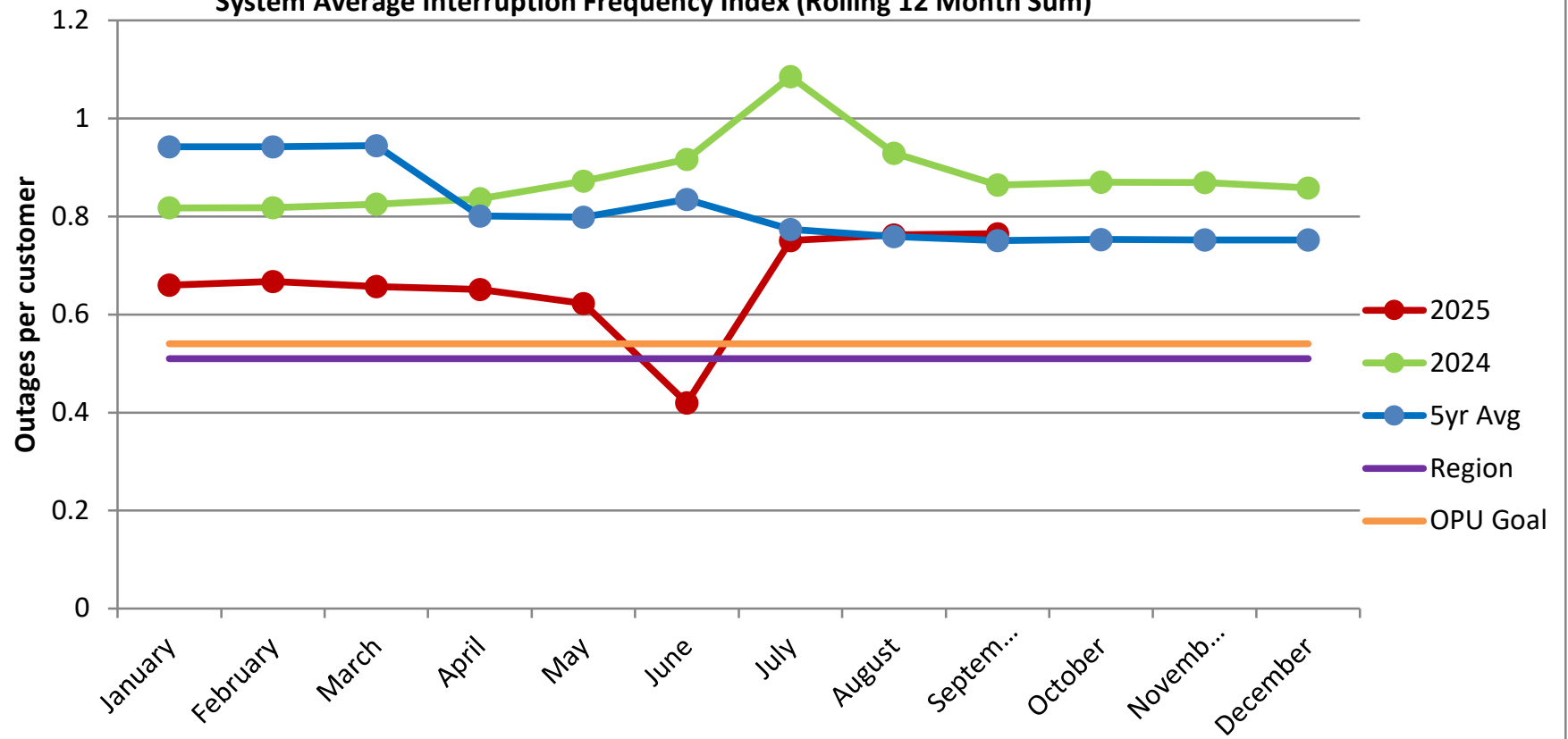
CAIDI

Customer Average Interruption Duration Index



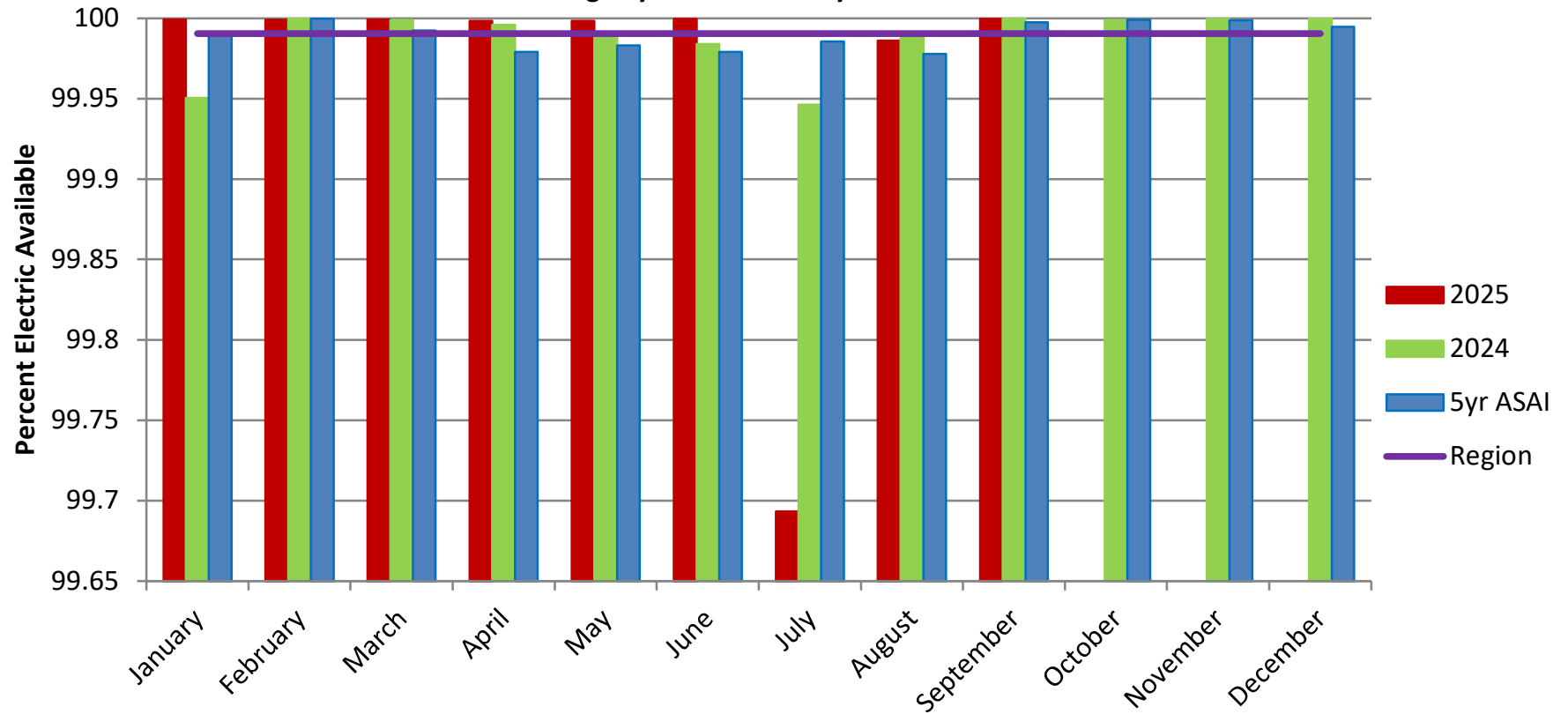
SAIFI

System Average Interruption Frequency Index (Rolling 12 Month Sum)

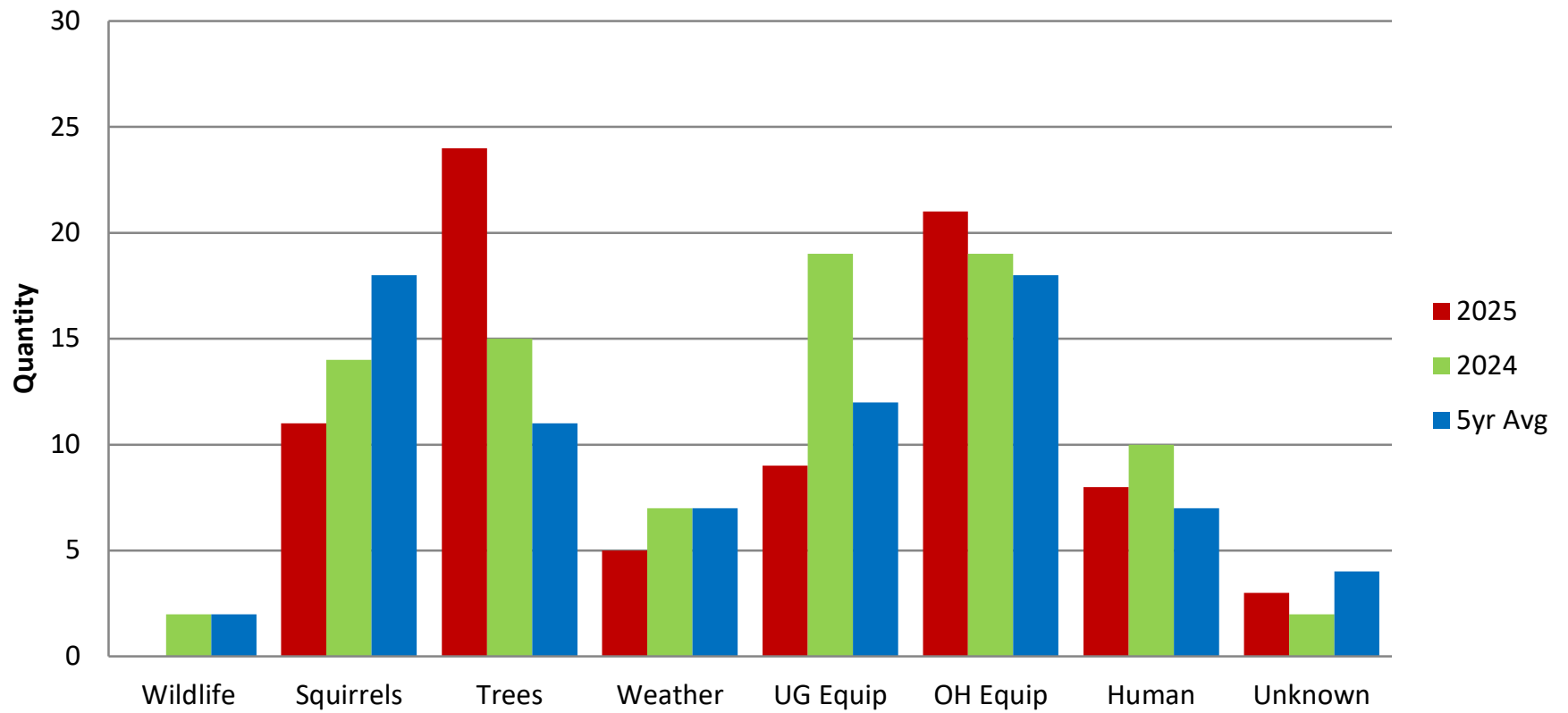


ASAI

Average System Availability Index

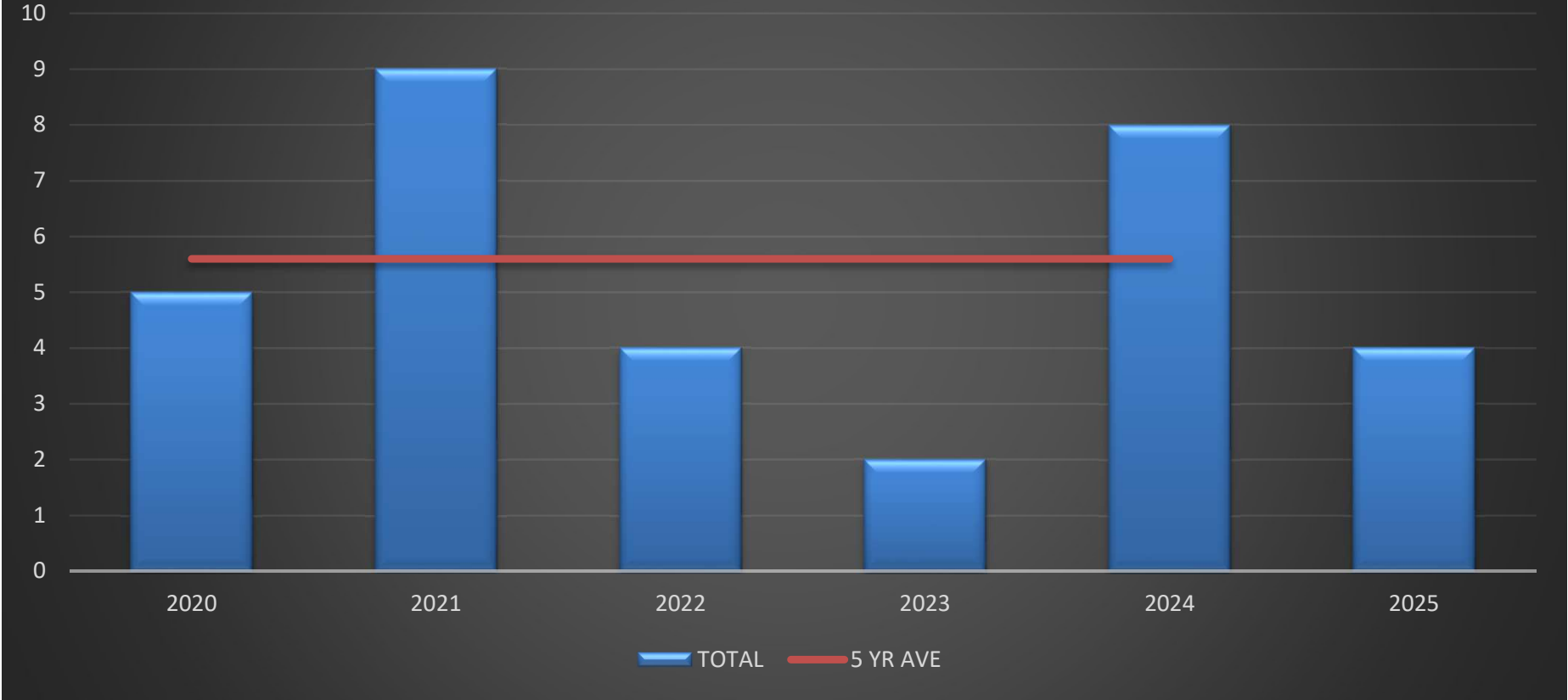


Outage Causes



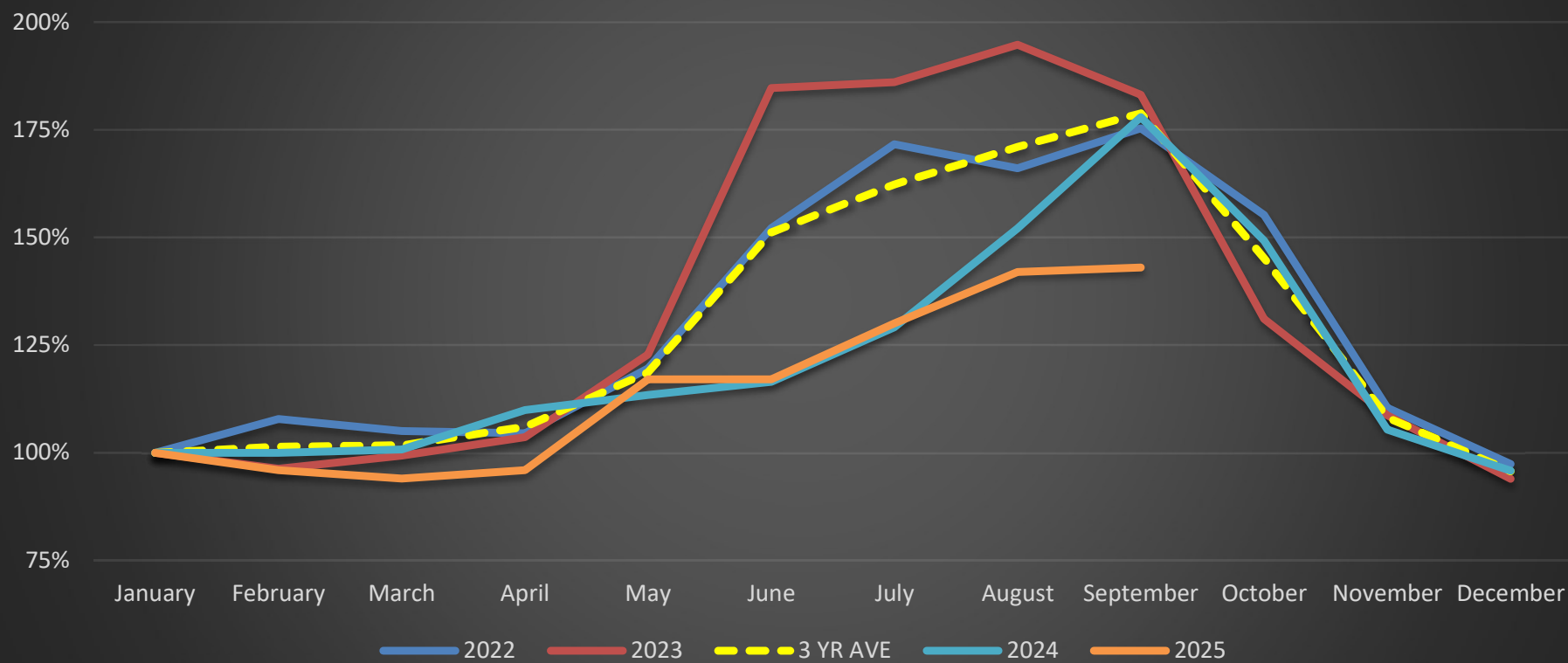
Gas System Metrics

GAS HITS

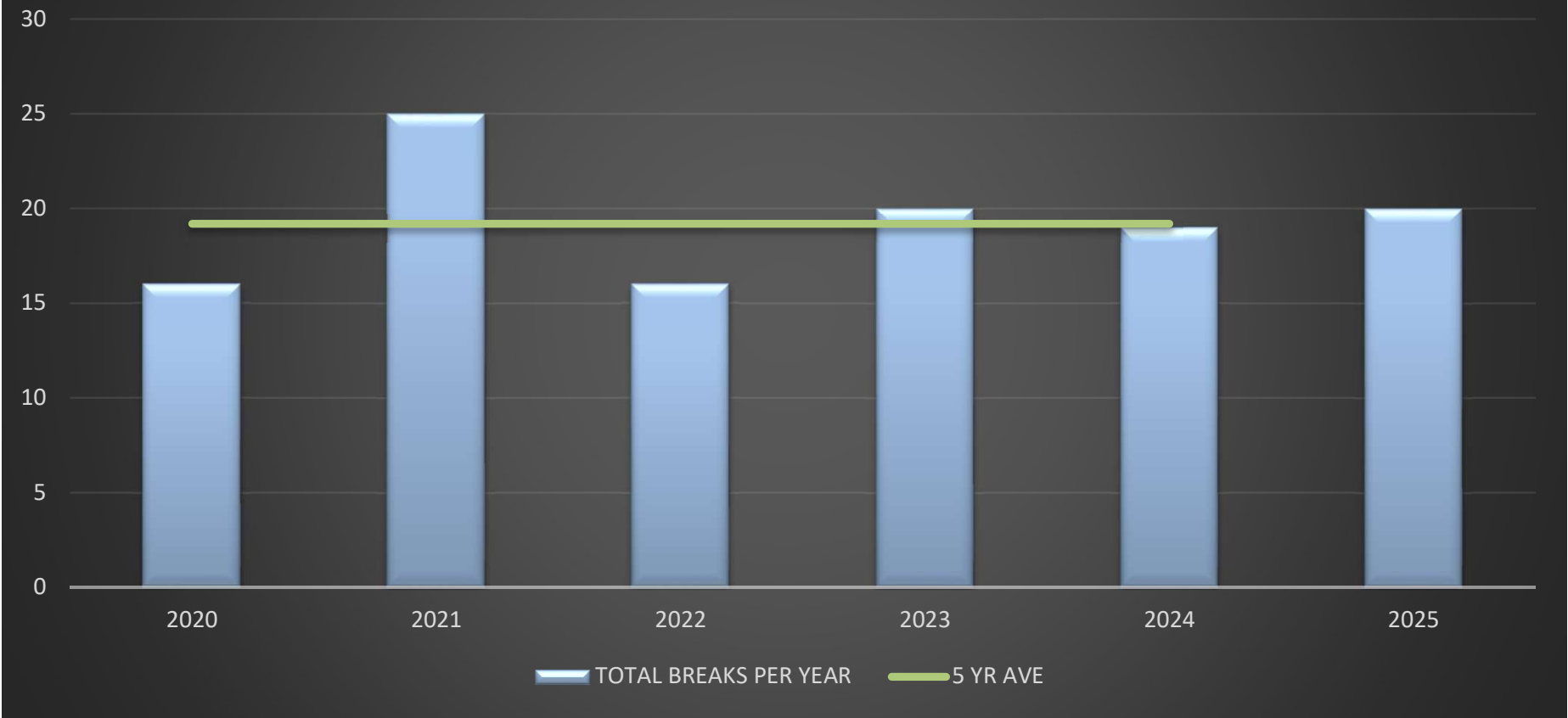


Water System Metrics

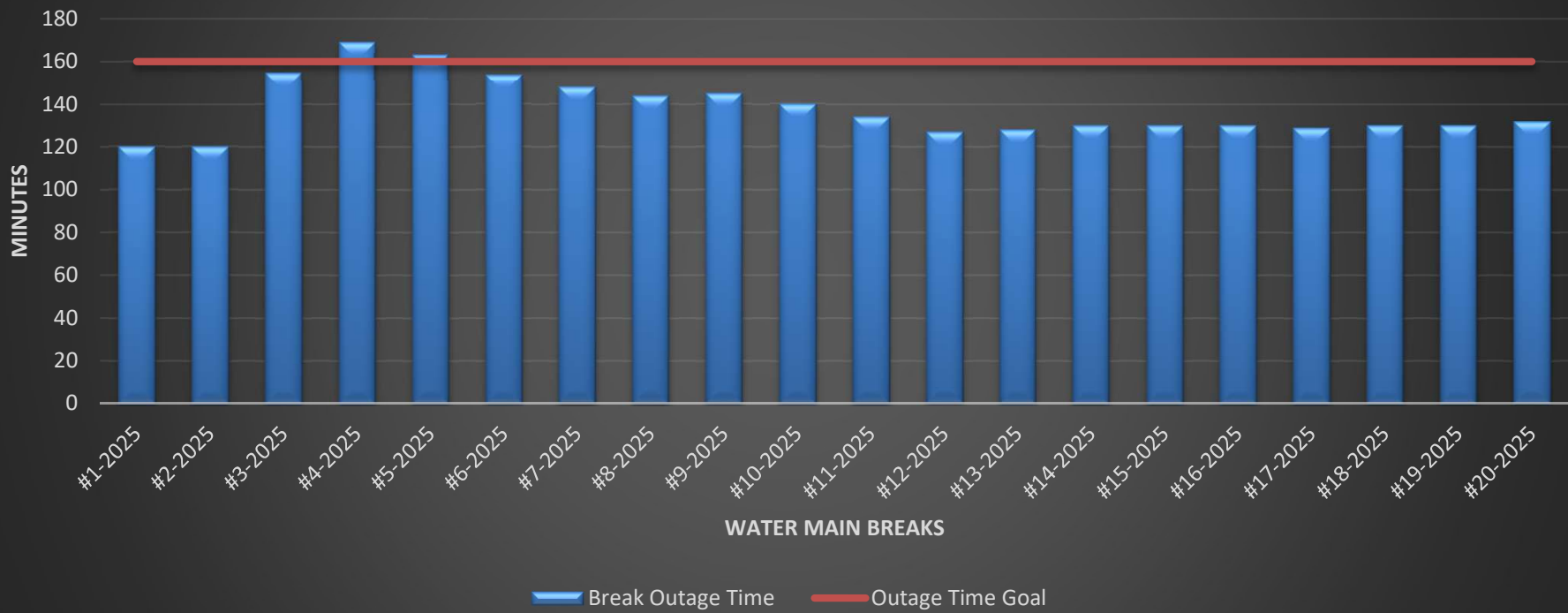
PERCENT OF JANUARY WATER USAGE



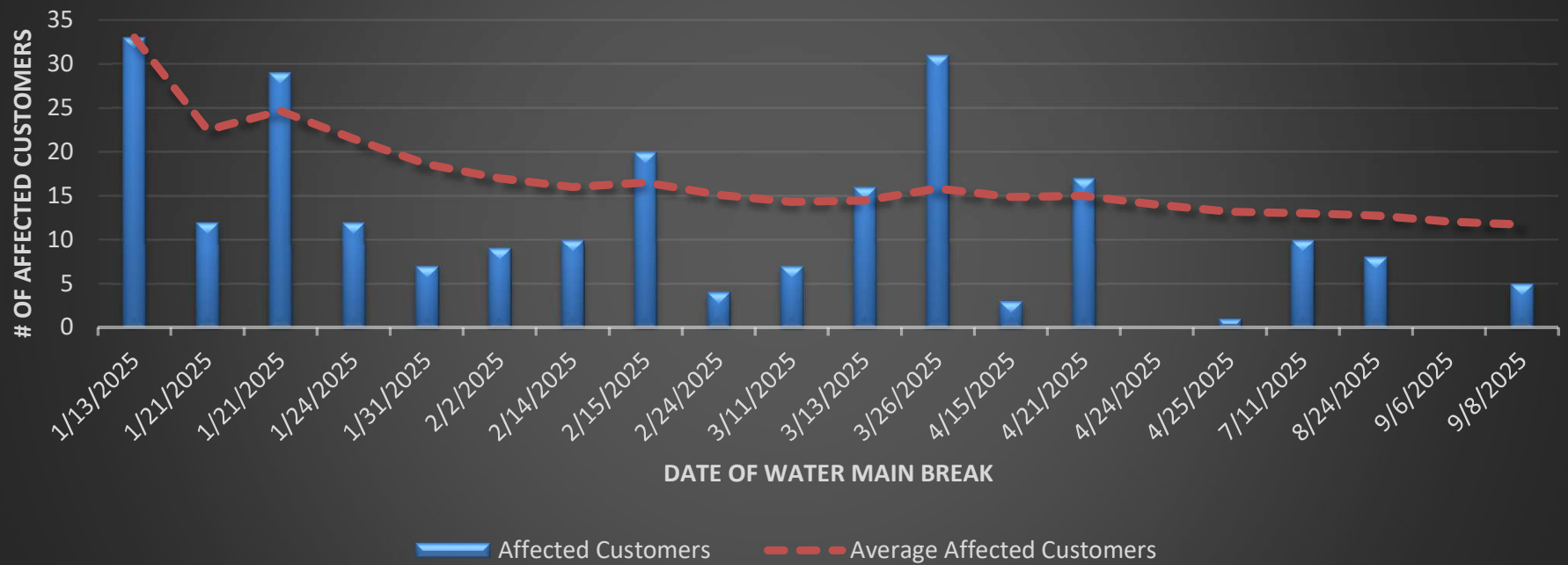
WATER MAIN BREAKS



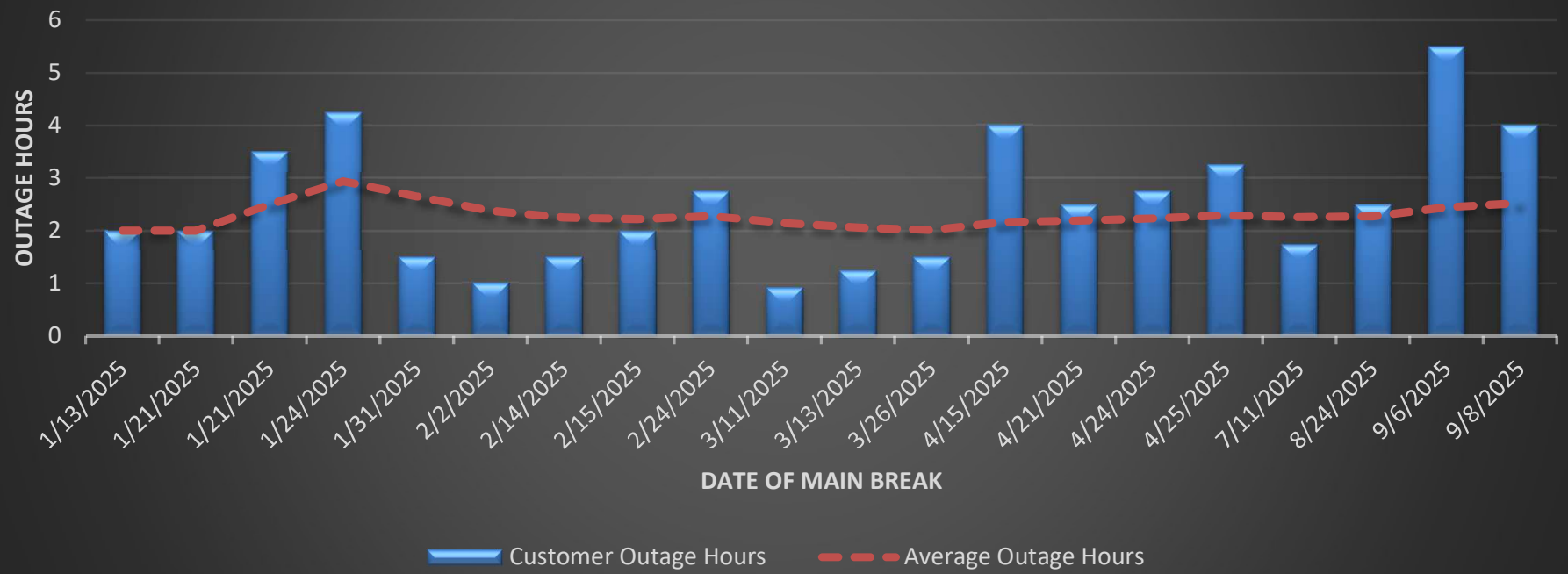
2025 WATER RELIABILITY - CAIDI



2025 AFFECTED CUSTOMERS



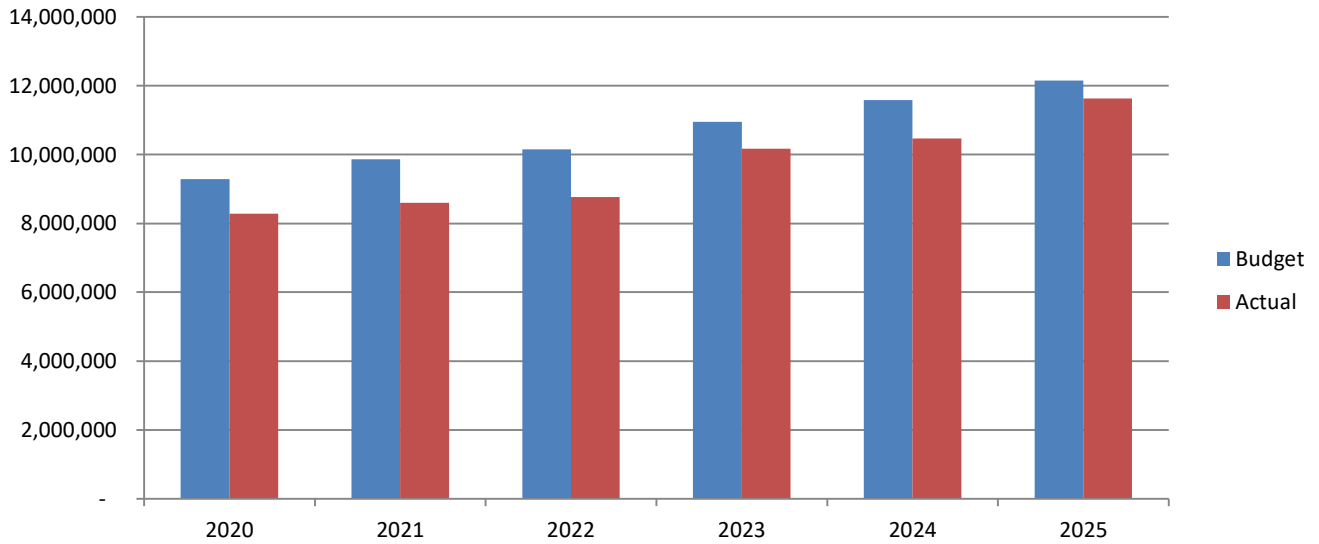
2025 OUTAGE HOURS



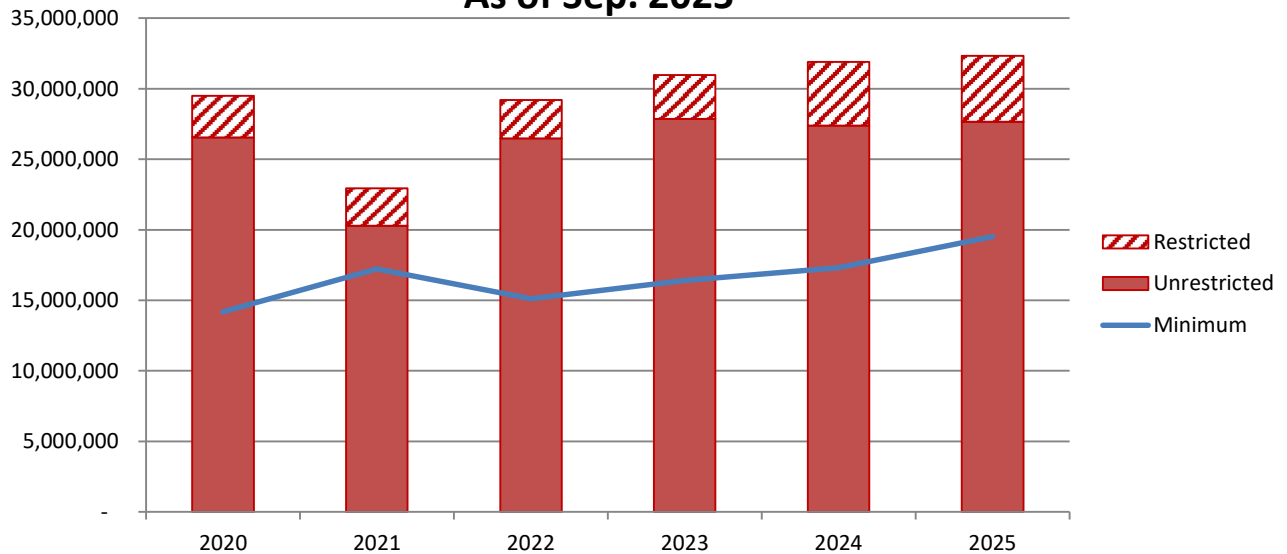
Financial Metrics

Owatonna Public Utilities Financial Metrics

Controllable Costs As of Sep. 2025



Reserve Levels As of Sep. 2025



SOUTHERN MINNESOTA MUNICIPAL POWER AGENCY
Minutes of the Board of Directors' Meeting
September 10, 2025

President Moulton called the meeting to order at 9:00 a.m. at the Redwood Area Community Center in Redwood Falls, Minnesota.

Mr. Halvorson, Redwood Falls Public Utilities Superintendent, welcomed the members to Redwood Falls.

Board Members Present:

President Peter T. Moulton, Saint Peter; Secretary James R. Bakken, Preston; Treasurer Bruce A. Reimers, New Prague; and Timothy M. McCollough, Rochester.

Board Member Present Via Conference Call:

Mark E. Nibaur, Austin.

Board Member Absent:

Vice President Roger E. Warehime, Owatonna.

Others Present:

David P. Geschwind, Executive Director & CEO; Jerry Mausbach, Blooming Prairie; Miles Heide, Julie Zarling, Fairmont; Christian Fenstermacher, Owatonna; Keith Butcher, Princeton; Jason Halvorson, Redwood Falls; Chris Rolli, Spring Valley; Craig Anderson, Wells; Beth A. Fondell, Naomi A. Goll, Joseph A. Hoffman, and Jeremy B. Sutton of the Agency staff.

Others Present Via Conference Call:

Alex Bumgardner, Austin; Mike Roth, Shane Steele, Grand Marais; Mike Geers, Litchfield; and Joe Kohlgraf, Mora.

#1 Agenda Approval:

Mr. McCollough moved to approve the agenda, seconded by Mr. Reimers, passed upon a unanimous vote of the board members present.

#2 Consent Agenda:

Mr. Bakken moved to approve the consent agenda, seconded by Mr. McCollough, passed upon a unanimous vote of the board members present.

APPROVED the August 13, 2025 board meeting minutes.

#3 2025 Bond Transaction-Fondell:

The Board Resolutions relating to the Bond Purchase Agreement, the Escrow Agreements, the Preliminary Official Statement, the Official Statement; the Master Resolution; and the Thirty-Second Supplemental Power Supply System Revenue Bond Resolution were sent electronically prior to the board meeting.

Ms. Fondell reported on the 2025 Bond Transaction and gave an overview of the refunding objectives.

- Refunding all of the 2015A bonds callable on January 1, 2026.
- Only refunding maturities that provide net savings of the 2010A Build America Bonds via the Extraordinary Optional Redemption Provision.
- While the transaction is estimated to provide refunding savings slightly below the target 5% in the Capital Financing Policy, the future interest expense reductions still make the transaction beneficial.
- Proceeds from the 2025A bond transaction will be placed in escrow accounts so the 2010A bonds can be paid off in November 2025 and the 2015A bonds can be paid off in January 2026.
- The January 2026 debt service payment will be incorporated into the refunding, allowing the refunded bonds to be fully removed from SMMPA's books at the time of the 2025A bond closing.
- Debt service reserve requirement will decrease as a result of the refunding. Excess debt service reserve funds will be released and built into the 2025A transaction as a source of funds. The reduction in debt service reserve requirement related to the 1994A bonds maturing in 2027 (approximately \$60 million) will be preserved to earmark for Sherco 3 decommissioning.

Bonds Ratings

- Fitch Ratings combined their rating of the 2025A bonds with a review of the system bonds and affirmed SMMPA's system bond rating as AA- with stable outlook and issued a AA- rating for the 2025A bonds.
- Moody's issued SMMPA's 2025A bond rating as A1, consistent with the A1 rating affirmed earlier this year on SMMPA's system bonds.

Discussion.

Bond Financing Calendar

- September 16 - Post documents and investor presentation.
- September 22 - Market update & pre-pricing call.
- September 23 - Pricing (in Rochester); BABs calculations.
- September 30 - Distribute Official Statement.
- October 2 - Sign off on Official Statement.
- October 7 - Closing; Redemption Notice for BABs.

Member representatives will be asked to approve the resolutions that authorized the board's action for bond issuance.

Board Action

Action item to approve board resolutions as presented in the board book.

Mr. Bakken moved to approve the Board Resolutions relating to the Bond Purchase Agreement, the Escrow Agreements, the Preliminary Official Statement, the Official Statement; the Master Resolution; and the Thirty-Second Supplemental Power Supply System Revenue Bond Resolution approving the 2025 Bond Transaction, seconded by Mr. McCollough, passed upon a unanimous vote of the board members present.

#4 Revolving Credit Agreement-Fondell:

The Board Resolutions and the Power Supply System Subordinated Indebtedness Resolution No. 6 were sent electronically prior to the board meeting.

Ms. Fondell reported on the Revolving Credit Agreement (RCA).

The existing RCA with U.S. Bank expires on October 31, 2025.

The new RCA with Bank of America will replace the current RCA with U.S. Bank as the terms are more favorable than U.S. Bank's renewal proposal, including no unused fee if more than half of the \$68 million limit is borrowed. The Secured Overnight Financing Rate (SOFR) will be used to calculate tax-exempt borrowing costs and the term will be three years. The new RCA will not include a term-out that would allow for a short-term borrowed balance to be converted into a fixed-term loan at the end of the RCA term using unfavorable interest rates. Other terms and conditions of the new RCA remain consistent with the U.S. Bank facility, including a \$68 million limit available for tax-exempt and taxable borrowing.

The U.S. Bank agreement can be terminated early without penalty. The new RCA is tentatively scheduled to close on September 16, 2025. Pricing terms within the RCA documents are confidential.

Discussion.

Member representatives will be asked to approve the resolutions authorizing the board's action.

Board Action

- Action item to approve board resolutions as presented in the board book.

Mr. Reimers moved to approve the Power Supply System Subordinated Indebtedness Resolution No. 6 and the Resolutions of the Board of Directors of Southern Minnesota Municipal Power Agency relating to the authorization and approval of a Revolving Credit Agreement with Bank of America in connection with the issuance of the Power Supply System Subordinated Notes, Series A, and the Power Supply Subordinated Notes, Series B, seconded by Mr. Bakken, passed upon a unanimous vote of the board members present.

Temporary Recess to Member Representatives Meeting:

At 9:40 a.m., Mr. Reimers moved to recess the SMMPA Board of Directors meeting and move

into the Member Representatives meeting, seconded by Mr. Bakken, passed upon a unanimous vote of the board members present.

Following establishment of a quorum by the member representatives and completion of that agenda in which the member representatives approved the resolutions presented, the board meeting reconvened at 9:48 a.m.

Revolving Credit Agreement

Mr. Geschwind acknowledged Ms. Fondell for the work on the financing process. Members were thanked for supporting the bond transaction and the RCA.

After a short break, the board reconvened at 10:03 a.m.

#5 Wholesale Rate Comparison-Fondell:

Ms. Fondell reported on the wholesale rate comparison, which the Agency has been tracking since 2014. She compared SMMPA's rates with a group of other wholesale electricity suppliers in the region.

Discussion.

Looking Ahead

- SMMPA rate decreases forecasted for 2026 and 2027.
- Possible 2025 cash distribution to members.

Ms. Fondell thanked the member representatives for their vote on the bond and RCA and Mr. Geschwind for his efforts with the process.

#6 2026 Budget and Rates Preview-Fondell:

Ms. Fondell presented the 2026 budget and rates preview.

Sherco 3

The Sherco 3 planned maintenance outage is scheduled for February 28, 2026 to May 22, 2026. Estimated costs for replacement purchased power hedges are included in the budget. The Sherco coal inventory is approximately 200,000 tons as of August 31, 2025, contributing to higher General Operating Reserve cash balances.

Member Rates

The Agency is proposing an overall 10% rate decrease for 2026 and recommending the decrease be applied as 10.812% to only the energy and demand rates. The rate decrease is driven by the reduction in debt service in 2026 related to the 1994A bonds that mature in 2027.

Transmission Rates

2026 will be the final third year of transitioning transmission rates from 100% ratchet to monthly metered coincident peak (approved by the board on May 10, 2023).

Sources and Uses of Revenues

The draft 2026 Sources and Uses of Revenues is the foundation of the Agency's budget and identifies the budgeted rate stabilization account contribution/(distribution).

Discussion.

Next Steps

- Finalize proposed 2026 budget.
- Distribute detailed budget book September 18, 2025.
- Budget and Rates Workshop September 22, 2025.

The proposed 2026 budget and rates will be presented at the October board meeting for action by the board.

#7 Sherco Fire Suppression Project-Sutton:

Mr. Sutton reported on the Sherco Fire Suppression Project.

The fire suppression system at Sherco needs to be redesigned to accommodate the retirement of Unit 2 and the planned retirement next year of Unit 1. Xcel Energy finished the fire suppression redesign phase and the necessary work will begin this fall. The original fire suppression system was designed for Sherco Units 1 and 2 and was expanded to accommodate Unit 3. To protect equipment, buildings, and personnel, various forms of fire protection (fire extinguishers, automatic sprinklers, fixed spray nozzles, dry chemical suppression, clean agent suppression, detection devices, etc.) are employed. This project was not included in the original 2025 budget for Sherco 3 submitted by the Sherco 3 Project Manager and needs to be separately approved by SMMPA and Xcel.

Board Action

Project estimates from Sargent and Lundy for the total project are \$6,654,087. Since this project relates to more than just Unit 3 and is considered a "Consolidated Common" expenditure, the cost allocation to the Agency would be 20% per the Ownership and Operating Agreement. Requesting approval for \$1,463,899 (\$1,330,817 plus 10% contingency) for the project.

Discussion.

Mr. McCollough moved to approve the Sherco Fire Suppression Project for \$1,463,899, seconded by Mr. Reimers, passed upon a unanimous vote of the board members present

#8 2024 Board Retreat Follow-up-Geschwind:

Due to time constraints, President Moulton deferred the 2024 Board Retreat Follow-up to the November SMMPA Board meeting.

Government Affairs/Member Services Report-Hoffman:

Mr. Hoffman summarized the government affairs/member services report detailed in the board book.

APPA eReliability Tracker

The APPA eReliability Tracker transitioned to the new and improved tracker, the APPA Power TRX Reliability. The web-based service provides utilities with an effective way to collect, categorize, and summarize outage information. SMMPA purchased a three-year subscription that is funded through 2026, which is available for the member communities.

SMMPA 2025 Sustainability Report

SMMPA's Our Commitment to Sustainability Reducing our Carbon Footprint Brochures are available today and copies may be mailed to the members upon request.

SMMPA Member IT Roundtable

SMMPA will hold an IT roundtable for members tentatively scheduled for November 6, 2025 at SMMPA headquarters. A virtual attendance option will be available.

Public Power Week

Public Power Week will be held October 5-11, 2025.

SMMPA Annual Meeting

The SMMPA Annual Meeting will be held October 16-17, 2025 at the Sheraton Hotel, Bloomington, Minnesota.

Cybersecurity Board Security Brief

On July 25, 2025, the City of St. Paul experienced an "Interlock" ransomware cyber-attack that targeted the city's IT infrastructure. The Minnesota National Guard Cyber Protection Unit and the FBI advised against paying the ransom. The city was able to restore its systems using clean data backups, and 3,000 city workers appeared in person to reset their credentials.

SMMPA IRP

The Minnesota Public Utilities Commission (MN PUC) accepted SMMPA's Integrated Resource Plan (IRP) on September 4, 2025. The MN PUC directed the Agency to continue to model battery storage in the next IRP, which is scheduled to be filed in December 2027.

Operations Report-Sutton:

Mr. Sutton reported:

MISO Planning Resource Auction Error

MISO discovered an error impacting loss of load expectation calculations used to set the planning reserve margins in its planning resource auction. The calculation used "all hours" rather than the required "daily peak hour" resulting in a \$280 million miscalculation for the 2025/2026 planning year. MISO will issue adjustments based on each entity's net position (net buyer or net seller) and SMMPA anticipates a refund of \$165,600.

Steele Energy Station Air Permit

Yesterday SMMPA submitted the Steele Energy Station air permit applicability determination request application to the Minnesota Pollution Control Agency (MPCA). MPCA is suggesting

that the Owatonna Public Utilities Unit 7 be pulled into the Steele Energy Station air permit model as a SMMPA resource. Continue to monitor.

Redwood Falls Transmission Line Damage

To prevent further damage to the Redwood Falls 115 kV transmission line, Redwood Falls Sportsmen's Club installed safety baffles at the firing line blocking shooting angles outside the club property and posted signage that damaging power lines is a felony.

Sherco 3 Planned Spring Outage/Hedge

A Sherco 3 planned outage will occur February 28, 2026 to May 22, 2026. General Electric will perform work on the L-0 blade replacement/repair. SMMPA budgeted hedging purchases of 150 MW of ATC hedges for March/April 2026, then 75 MW of ATC and 50 MW on-peak for May 2026.

MISO Tranche 1 LRTP-4 and LRTP-6 Update

The MISO Tranche 1 LRTP-6 term sheet was signed. Parties are still working on the LRTP-4 Definitive Agreements. The Agency will likely need to seek member representatives vote in November/December 2025 to authorize SMMPA to eventually finance the LRTP-4 and LRTP-6 projects.

Market Update

A graph of recent natural gas and on-peak electricity prices was discussed.

Financial Report July 2025-Fondell:

Ms. Fondell summarized Agency financial results through July as provided in the board book materials.

Member Financial Metrics

SMMPA will distribute financial metrics to each member this month. Members have the option to schedule a meeting with SMMPA to discuss results.

Bond and RCA Transaction Documents

SMMPA Board of Directors Officers were asked to watch for communication regarding signatures needed for the upcoming bond and Revolving Credit Agreement transaction closings.

SMMPA Insurance

SMMPA's new insurance contact is Deb Donahue, SMMPA Human Resources & Insurance Administrator.

President's Report:

Mr. Moulton reported:

- SMMPA Staff Recognition: SMMPA staff members recognized were Ms. Fondell and her staff, and Mr. Geschwind for handling the bond and Revolving Credit Agreement transactions; Mr. Sutton, Mr. Hoffman, and Ms. Schmitz for handling SMMPA's

Integrated Resource Plan; and Ms. Fondell for the outstanding work on assisting with the Saint Peter Solar Project elective pay tax refund payment from the IRS.

Executive Director & CEO's Report:

Mr. Geschwind reported:

- Fairmont - Tom Koeritz: Mr. Tom Koeritz, City of Fairmont Assistant Finance Officer (retired), passed away on August 29, 2025. He served on the SMMPA Board of Directors, was a SMMPA Member Representative, and was a great SMMPA supporter.
- SMMPA Annual Meeting: The SMMPA Annual Meeting will be held October 16-17, 2025 at the Sheraton Hotel, Bloomington, Minnesota. Members, commissioners, and council members are encouraged to attend.

Member Forum:

Mr. McCollough shared that Rochester Public Utilities (RPU) had a unique cyber-attack that came through a Microsoft Teams audio call without video. The outside caller compromised a computer, but the RPU IT Security Engineer isolated the issue.

Other Business:

There was no other business.

Adjourn:

A motion to adjourn the meeting was made by Mr. Bakken, seconded by Mr. McCollough, passed upon a unanimous vote of the board members present.

The meeting was adjourned at 11:56 a.m.

Secretary